

A REVIEW OF VA'S VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM

HEARING

BEFORE THE

SUBCOMMITTEE ON ECONOMIC OPPORTUNITY

OF THE

COMMITTEE ON VETERANS' AFFAIRS

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A REVIEW OF VA'S VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM

Wednesday, July 8, 2015

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY,
Washington, D.C.

The subcommittee met, pursuant to notice, at 10:04 a.m., in Room 334, Cannon House Office Building, Hon. Brad Wenstrup [chairman of the subcommittee] presiding.

Present: Representatives Wenstrup, Costello, Radewagen, Takano, Rice, and McNerney.

OPENING STATEMENT OF CHAIRMAN BRAD WENSTRUP

Dr. WENSTRUP. Good morning, everyone. I want to welcome you all to the Subcommittee on Economic Opportunity's hearing today entitled, A Review of VA's Vocational Rehabilitation and Employment Program.

Today the subcommittee will conduct an oversight hearing on the Vocational Rehabilitation and Employment, VR&E, program at the Department of Veterans Affairs, a program designed to help our severely wounded and disabled veterans by helping them find gainful employment and reach maximum independent living. Every day, VR&E's masters level counselors work diligently with veterans in the program to help them create a rehabilitation plan and execute that plan, while also being a constant resource and source of support for the participant as they go through the rehab program.

I agree with those that have said that the VR&E program should be the crown jewel of benefits provided to veterans through the Veterans Benefit Administration. This program has the opportunity to provide our most injured veterans with great rehabilitative services and support as they go down the pathway of transitioning to gainful employment and/or an independent life following their service.

This program is more than just a benefits program. It is also a vital first step for disabled veterans to become more financially independent, which is a win-win for veterans and taxpayers alike.

For several years now we have seen the participation in VR&E increase, and the President's latest budget submission anticipates a 10 percent increase of veterans participating in the program in fiscal year 2016. And as VBA continues to move through the current disability claims backlog, it would seem logical that the participation numbers for VR&E will only continue to rise.

However, despite the increase in caseload numbers, it is concerning that for the second year in a row, the President's budget has flatlined counselors and resources for this critical program. Caseloads for counselors have always been a concern of this subcommittee, and I am worried that our concerns seem to have fallen on deaf ears.

Our first panel would tell us that the industry standard for participant-to-counselor ratio should be around 1 to 125. However, we have heard reports that some VR&E counselors have caseloads of upwards of 230 veterans. It is our duty to ensure that our VR&E counselors have the resources they need as well as manageable caseload numbers so that our veterans are receiving the thorough and quality services they deserve in a timely manner.

I look forward to hearing from VA today on how they plan to tackle these ever-increasing participation numbers and caseloads while acting within the constraints of their current budget environment.

I am also concerned with the coordination between VA and the Department of Labor, and have specific concerns about VR&E's creation of Veteran Employment Coordinators, who seem to provide the exact same job placement services that are supposed to be provided by Department of Labor's Disabled Veterans Outreach Program Specialists, DVOPS, and Local Veterans Employment Representatives, LVERs.

The question is, has VA created these new positions out of frustration with DOL? We have been told that many DVOPS and LVERs are failing to fulfill their mission and don't properly assist rehabilitated veterans into meaningful employment. However, I am concerned that the creation of these new positions is a clear duplication of services, which not only causes confusion to the veteran, but is also a waste of taxpayer-funded time and money. I am looking forward to hearing how well VA and DOL are working together for the good of the veteran and how the role of the Veterans Employment Coordinators under VA differs from the role of DOLs, DVOPS and LVERs.

One of the great things about VR&E is that it is such an individualized program and is designed to cater to each veteran, but with that comes the difficult task of truly measuring outcomes and rehabilitation rates as well as ensuring consistency of services provided nationally by all VR&E counselors.

I know over the years VA has tried unsuccessfully to track long-term outcome measures that show true success, and I look forward to learning more about VR&E's progress in rolling out their new performance metrics that they have been in the process of implementing. I do want to ensure that these new performance metrics don't negatively impact the counselor's ability to provide quality services to veterans.

Finally, I want to examine VR&E's IT system and the progress they are making towards the much needed upgrade to move to a paperless system. Last month, this subcommittee favorably reported my bill, H.R. 2344 as amended, which would, among many important reforms, authorize funding to update VR&E's corporate IT system, called CWINRS, to improve oversight and tracking of taxpayer resources and the outcomes of VR&E participants. Al-

though VA has said that they have already allocated money to make these upgrades, we have seen in the past that this money can easily be reallocated to other priorities, and my bill would ensure that this does not happen again.

I do look forward to hearing about any progress the Department has already made in its efforts to move to a paperless and streamlined system, as well as how they are working with their VSO partners to ensure that they are also able to access the system in the future.

I am sure we can all agree that this program has the ability to greatly improve the lives of veterans but that more work still needs to be done so that we fulfill our promise to every eligible veteran. Hopefully, this hearing today will be yet another positive step forward in continuing to make these needed improvements.

With that, I recognize the Ranking Member, Mr. Takano, for his opening remarks.

OPENING STATEMENT OF RANKING MEMBER MARK TAKANO

Mr. TAKANO. Thank you, Mr. Chairman. And thank you for calling this hearing. I will be brief. We are here today to assess the effectiveness of the Vocational Rehabilitation and Employment Program, which has seen many changes and attempts at reform over the past few years, but which will be increasingly important in the lives of American servicemembers as they transition to veteran status, not as a result of the drawdown of forces from Afghanistan. I, and I am sure others on the committee, are here to find out, are eligible veterans accessing the program; what are the measurable results; are the program's full-time employee resources adequate to handle the number of servicemembers that will result from the drawdown of active duty forces from Afghanistan; and as VBA continues to make progress in whittling down the disability claims backlog. And I am pleased to hear the chairman and the majority express concern about the flatline in the President's budget with regard to counselors. We should really find out if our counselor capacity is adequate.

What is the status of efforts to improve IT for the program and to integrate it into VBMS? What is the status of the six recommendations made by the GAO in its study of the program a year and a half ago? And finally, how well are the VA and the DOL working together to ensure that any veteran who is able and eager to work finds meaningful employment?

So I appreciate the witnesses being here this morning to help us answer these questions, and I do look forward to their testimony. Thank you, and I yield back.

Dr. WENSTRUP. I thank the ranking member.

I now invite our first panel to the table. Joining us today is Mr. Paul Varela, Assistant National Legislative Director for the Disabled American Veterans; Ms. Heather Ansley, associate general counsel for Corporate and Government Relations for Paralyzed Veterans of America; and Mr. Ross Meglathery, director of VetsFirst, a program of the United Spinal Association.

All of your complete written statements will be made part of the hearing record, and each of you will be recognized for 5 minutes

for your oral statement. Let's begin with Mr. Varela. You are now recognized for 5 minutes.

STATEMENT OF PAUL R. VARELA

Mr. VARELA. Thank you, and good morning, Dr. Wenstrup, Ranking Member Takano, and members of the subcommittee. Thank you for inviting DAV to testify at this important hearing to review VA's Vocational Rehabilitation and Employment, VR&E, services program.

As you know, DAV is a non-profit veterans service organization comprised of 1.2 million wartime wounded, injured, and ill veterans dedicated to a single purpose, and that is empowering veterans to lead high quality lives with respect and dignity.

As the Nation's largest VSO comprised entirely of wartime disabled veterans, DAV is leading the way in providing free assistance to veterans and their families in filing claims for benefits as well as representation in appeals of unfavorable decisions.

DAV's core mission is carried out through our national service program. Our chapter service officers, department service officers, transition service officers, and national service officers have never wavered in their commitment to serve our Nation's wounded, injured, and ill veterans, their families, and survivors, or any veteran, for that matter. In all, DAV has 3,815 service officers, including county veteran service officers accredited by DAV, all of whom are on the front lines providing much-needed claims services to our nation's veterans, their families, and survivors.

DAV service officers bring valuable military and personal experience while performing their daily service work. They understand the rigors of military service and challenges associated with navigating the VA healthcare and claims processing systems. DAV NSOs in particular have themselves participated and successfully completed a VR&E rehabilitation plan as part of our DAV 16-month on-the-job training program. Due to our backgrounds in training, DAV NSOs not only possess a significant knowledge base, but also a passion for helping our fellow veterans navigate a sometimes complicated VA system and its myriad benefit programs.

In addition to assisting veterans and their dependents file claims for disability compensation, our NSOs regularly advise veterans on the opportunities and benefits afforded by VA's VR&E program. As part of our lifelong continuing education program, DAV NSOs are trained on all VR&E programs, and we regularly refer and encourage our clients to consider VR&E programs when appropriate.

The VR&E program assists veterans with service-connected disabilities in preparing for, finding, and keeping jobs suitable to their skill sets and within any limitations imposed on them due to wounds, injuries, or illnesses sustained as a result of their military experience. For veterans with severe service-connected disabilities that impact their ability to work, other services are available to help them lead more independent lives.

Mr. Chairman, DAV is a staunch proponent of the VR&E program, because it embodies DAV's central purpose of empowering veterans to lead high quality lives with respect and dignity. We want to ensure this life-changing program is not just maintained, but also enhanced to truly give every eligible wounded, ill, and in-

jured veteran the opportunity to maximize their utility, to lead high-quality lives with respect and dignity despite any limitations imposed upon them due to their service-connected disabilities.

We have provided several recommendations in the form of resolutions from our members that would enable these veterans to achieve more meaningful and gainful economic prosperity. In accordance with DAV Resolution No. 048, as adopted at our most recent national convention, we support legislation that would eliminate the 12-year limitation provided to veterans to apply for VA vocational rehabilitation.

We believe leaving a veteran's period of entitlement open-ended would be a better policy. Legislation to effect this change is also supported by the independent budget, IB, veterans service organizations.

In accordance with DAV Resolution No. 052, as adopted at our most recent national convention, we call on Congress to strengthen VA's VR&E program to meet the demands of service-disabled veterans by providing increased staffing and funding, placement follow-up with employers for at least 6 months, childcare vouchers, and removing the cap placed on the independent living program. This legislation is also supported by the IB VSOs.

And lastly, in accordance with DAV Resolution No. 227, as adopted at our most recent national convention, DAV calls on Congress to create a new Veterans Economic Opportunity Administration and also calls for the transfer of DOL vets to the VA as a key element of this new administration.

We were pleased with the introduction of H.R. 2275, the Jobs for Veterans Act of 2015 in this Congress, and that H.R. 2275 was forwarded to the full committee by this subcommittee on June 25, 2015. DAV strongly supports this legislation.

Mr. Chairman, Ranking Member Takano, and members of the subcommittee, thank you for allowing me the opportunity to present the testimony today.

[THE PREPARED STATEMENT OF MR. VARELA APPEARS IN THE APPENDIX]

Dr. WENSTRUP. Thank you, Mr. Varela.

Ms. Ansley, you are now recognized for 5 minutes.

STATEMENT OF HEATHER ANSLEY

Ms. ANSLEY. Thank you, Chairman Wenstrup, Ranking Member Takano, and members the subcommittee. Paralyzed Veterans of America would like to thank you for the opportunity to testify today regarding the Department of Veterans Affairs Vocational Rehabilitation and Employment Program.

In July, our Nation will celebrate the 25th anniversary of the Americans with Disabilities Act, which provides equality of opportunity and access for Americans with disabilities. Despite all of our advances, however, veterans and all people with disabilities remain underrepresented in our Nation's workforce. Veterans with catastrophic disabilities, which comprises PVA's membership, continue to face barriers when seeking to return to the workforce. As a result, in 2007, PVA launched Operation PAVE, which stands for Paving Access for Veterans Employment. Operation PAVE is a vocational rehabilitation program that assists PVA's members, those

who are service connected and those that are non-service connected, other veterans with disabilities, their families and also caregivers in obtaining and retaining employment. Today, Operation PAVE has seven regional offices around the Nation.

Operation PAVE provides one-on-one career counseling and assistance. All services, from our resume assistance, interview preparation, vocational counseling, and employer networking are provided at no cost to participants. Our program is staffed by experienced graduate-level certified vocational counselors and employment analysts. Although PAVE counselors are working with some of the most difficult to place clients, they are successful in returning them to the workforce.

Operation PAVE seeks to keep its counselor load at a maximum of 125 veterans per counselor or less. The ratio of 1 to 125 is recognized as a full workload in the field of vocational rehabilitation counseling. When any vocational rehabilitation counselor is required to work with more than 125 clients, the employment counseling process is delayed.

PAVE counselors recently reported that veterans have expressed frustration with how difficult it can be to connect with their VR&E counselors, as calls and emails sometimes go unanswered. The Independent Budget coauthored by AmVets, Disabled American Veterans, PVA, and the Veterans of Foreign Wars has continually highlighted the shortage of VR&E counselors. The IB projects that approximately 165,000 veterans will participate in the VR&E program in fiscal year 2016. To achieve a maximum ration of 1 to 125, VR&E would need an additional 382 full-time equivalent employees. This increase in staff would provide 277 new VR&E counselors and 105 new employees providing support services. These additions would require an increase in appropriations of \$41.8 million.

Providing VA with additional resources to decrease the counselor-to-veteran ratio is a step in the right direction. VA must also, however, reduce bureaucratic hurdles that delay veterans in moving through the VR&E process. For example, Operation PAVE counselors have noted that they are able to sometimes more quickly begin providing resume assistance, interview preparation, and vocational counseling because there are fewer procedural hurdles to clear for eligibility. And we urge the VA to continue to build efficiencies into the system that would eliminate any wait times and assist counselors in managing their time and caseloads as efficiently as possible.

If current resource levels are maintained, one way to reduce the load for counselors and employment specialists is to continue to increase partnerships with organizations such as ours that provide specialty placement services. This is particularly important in the case of veterans who have unique needs related to their disabilities and life circumstances.

PVA's Operation PAVE counselors have indicated that they have developed relationships with VR&E counselors. One PAVE counselor reported that she receives referrals of veterans with significant disabilities who need specific one-on-one help in returning to work. Without these referrals, she feared that it would be difficult for her overloaded VR&E counterparts to dedicate the time and re-

sources that are necessary to help someone with these types of disabilities return to work.

Without these types of partnerships, severely disabled veterans would likely receive minimal consideration or be designated as unemployable. Severely disabled veterans require the commitment and special attention that a VA counselor is trained to provide, but cannot afford to present with the caseloads. By referring these veterans to PVA's counselor, the veteran receives the specialized attention necessary, which more frequently leads to placement and suitable employment.

In some cases, there are fewer connections between our offices and VA's VR&E program, but we are pleased that the VR&E director has committed to us that he is interested in increasing collaboration.

Congressional funding for VA's VR&E program must keep pace with veterans' need for services.

PVA thanks you for the opportunity to testify today and we would be pleased to answer any questions.

[THE PREPARED STATEMENT OF MS. ANSLEY APPEARS IN THE APPENDIX]

Dr. WENSTRUP. Well, thank you, Ms. Ansley.

And, finally, Mr. Meglathery, you are now recognized for 5 minutes.

STATEMENT OF ROSS A. MEGLATHERY

Mr. MEGLATHERY. Chairman Wenstrup, Ranking Member Takano, and other distinguished members of the subcommittee, thank you for giving VetsFirst the opportunity to testify regarding the effectiveness of VA's Vocational Rehabilitation and Employment Program.

VetsFirst has represented our disabled veterans, their families, and their caretakers since 1946. We advocate for the program services and disability rights that help all generations of veterans with disabilities remain independent and fulfill their desire to reintegrate into society. Today, as part of the United Spinal Association, we are not only a VA-recognized national veterans service organization, but we are a leader in advocacy for all people with disabilities.

The opportunity to participate in the workforce is critical, not only financially, but also because returning to work is a way to adjust to the normality of life in a veteran's post-military years. Without the opportunity to work, many veterans with disabilities may become disconnected from the very society for which they sacrificed their time and their health.

VetsFirst is concerned that the VR&E program still lacks the resources needed to best assist all disabled veterans in returning to employment. Additionally, we are concerned about VR&E's difficulty in helping veterans overcome certain disabilities that contribute to their inability to succeed in a vocational rehabilitation program. Veterans who are living with mental health conditions have poorer VR&E outcomes than those with other disabilities. Veterans with more serious disabilities may also routinely require a higher level of employment support both pre- and post-placement than is typically provided by VR&E.

VetsFirst would like to take this opportunity to highlight two issues of concern. Under the current requirements, to be eligible for benefits, it must be 12 years or fewer since the vet's date of separation from active military service or when VA notified them of their qualified service-connected disability, whichever date is later.

Congress should do away with the 12-year requirement. The injury, either physical or mental, will be with the veteran for their lifetime. While a mental or emotional injury may not immediately affect the vet, it may acutely manifest itself in the individual at any time in the future.

On a personal note, being a combat-wounded veteran, it is my experience that it is often difficult to come to terms with one's emotions after the trauma of war. While prior to fighting in Iraq, I had a quick temper, I think it likely my lack of patience and temper were exacerbated by the stresses of war. It took me a long time and a lot of reflection to come to that conclusion. That is why I think it necessary to reevaluate the section of vocational rehabilitation that limits the time period to 12 years of eligibility.

I am only one veteran, and I have anecdotal experience that leads me to believe that I am not alone in having had to mature a little and begin to reflect before I was able to come to terms with the effect of war. I believe the long-term effects of PTS are strong validation of why 12-year eligibility must be extended.

There have been great efforts by VA and DoD to remove the stigma for servicemembers asking for help. However, it is only recently that that stigma has started to be chipped away at. For someone that had shown signs of PTS early in the wars in Iraq and Afghanistan, it is already too late for them to use VR&E under the 12-year eligibility rule. While a servicemember asking for help now may arguably not feel stigmatized, I would likely say that they would have as recently as a decade or even 5 years ago.

I would also like to discuss the caseload and the staffing. While there has been a reduction in the caseload—well, VetsFirst believes the caseloads in the current state are still too high and VA resources are not sufficient to provide timely results. Not all injuries are created equally, and those afflicted with spinal cord injuries or traumatic brain injury are likely to require more individual time and attention.

We believe that in order to more effectively manage VR&E, there are several options that should be exercised. Congress must appropriate the proper funding level to support VR&E and must also support efforts to hire sufficient staff. However, the answer to reducing the counselor-to-veteran ratio is not strictly a matter of increasing the budget and staff levels.

The goal of VR&E is employment. Therefore, it is important that the VR&E program exercise a holistic approach to getting veterans back to work. For veterans who require more support in services, VA should consider partnering with a variety of non-profit organizations that provide intensive services needed to assist veterans living with significant disabilities, including mental health conditions, and returning to and remaining in the workforce. Additionally, VR&E needs to enhance its relationship with State and local government and industry writ large. Proper funding and reduction of caseload and building partnerships with other public and private

sector entities is crucial for the success of both VR&E and the veteran.

VA must also track veterans' employment in the long-term. VetsFirst believes that a veteran would greatly benefit if their employment were monitored for at least a year. By establishing a longer-term relationship with a counselor periodically following up, the VA will be able to track the effectiveness of the program and hold employers accountable to their commitment to support VR&E.

VetsFirst would like to express its thanks for the opportunity to testify concerning its views on VA's VR&E program. We appreciate your leadership on behalf of our Nation's veterans who are living with disabilities. I will be happy to answer any questions.

[THE PREPARED STATEMENT OF MR. MEGLATHERY APPEARS IN THE APPENDIX]

Dr. WENSTRUP. I want to thank each of you on the panel today for your testimonies. I will now yield myself 5 minutes for questions.

And really I want to discuss something that both Mr. Varela and Mr. Meglathery brought up very explicitly, which was the 12-year limit on access to VR&E services. And as you probably know, last session the House voted to eliminate that and to extend it, but it wasn't taken up further. But my question today is, are you having a difficult time for those seeking waivers, because there are several ways to get a waiver for that? And I am wondering if you are keeping any type of statistics on those that are denied a waiver or what the process is like for you as you are helping those that seek a waiver. Mr. Varela.

Mr. VARELA. Thank you, Dr. Wenstrup. DAV is not keeping track on waiver outcomes, although I am sure that is information that we could obtain. It shouldn't be too difficult. But what I would say is you have to go through another administrative procedure to get that determination, and we really just—if a veteran is coming to VR&E, they are not coming to VR&E because they have nothing better to do; they are coming there because they need help. So if we can eliminate one other barrier, get them right into the pipeline to VR&E services, that is a win-win for everybody.

Dr. WENSTRUP. And I would agree with you, going through more paperwork is not fun for anybody, but I was just curious. Do you have any comment on that, Mr. Meglathery.

Mr. MEGLATHERY. We could also look that information up for you, but we are not tracking that. But I would like to agree with Mr. Varela on the point if they are seeking help with VR&E, then it means that they really do need that help, because I think for many veterans, they are not even aware necessarily of those benefits. They know GI Bill benefits and they know healthcare benefits in general.

Dr. WENSTRUP. And I think it would be helpful for all of us, you know, the VA side and your side of the issue, is if you are seeking a waiver, how long is that actually taking, because, as you know, time is often of the essence in these situations.

You know, each of you discussed the need for VR&E counselors to track a veteran's employment and success beyond 60 days, and I agree with that wholeheartedly. I really want to know what your long-term outcomes are and what kind of success you are having

or not. I would love to hear from each you to expand on this and provide any recommendations that you may have as far as time period that we may want to put in place and how we can go about tracking the veterans better, because you know it is often difficult to continue to track someone. So any input you have on that, and we will go down the line.

Mr. VARELA. Right now we recommend in the Independent Budget, I believe it is 6 months after they have completed their program to determine whether or not they have maintained their employment. Anything beyond that would be great. What we have to remember, though, is that we are putting another task on the plate of a VR&E counselor. So how do we make that efficient and smooth so there is no time loss with the VR&E counselors so they can continue to do what they need to do and help other veterans. And probably the best way that you are going to be able to do that is going to be through IT enhancements, and so whatever IT enhancements they make going forward, perhaps there is a way to put a component in there in the system that tracks or reminds a VR&E counselor to follow up with that veteran.

I mean, it wouldn't take much to just call a veteran, you know, every 30, 60, 90 days within that 6-month period, or an email or some time type of correspondence, just want to find out how you are doing with your work, or maybe there is an employer input that we can work into some system as well.

Dr. WENSTRUP. Thank you. Ms. Ansley.

Ms. ANSLEY. PVA supports having at least a year follow-up. And I think Mr. Varela's comments about IT are a way that we can extend services to people and find out how they are doing in their employment beyond necessarily having counselors that are already stretched thin making that outreach, although certainly we would like that, but feel that IT could be a way to address that.

We also believe that, particularly with veterans who have evolving disabilities, disability is not static, so you may have changes that arise that you need different types of accommodations that you weren't thinking of at the beginning, you know, new things that arise that you don't want to see a person remove themselves from the workforce, which is what may happen, when actually having somebody intervene and work with you and your employer may keep you in the workforce, which is what everybody wants.

Mr. MEGLATHERY. I would just like to add that the Wounded Warrior regimen that the Marine Corps has does a very good job of following up on a veteran just to say—just to find out how they are doing, you know, after their injury. And they call me pretty frequently, maybe once a year, but it might be more frequently than that, but I think it is—the IT solutions in order to keep track of that, useful definitely, but the fact that there is somebody calling you to talk to you to find out what is going on, I think, is pretty meaningful. And it doesn't necessarily have to be the counselor if you are just trying to track. Then depending on what the outcome of that phone call is, then you can push it onto a counselor or not.

Dr. WENSTRUP. Thank you.

I now yield 5 minutes to the ranking member, who is recognized.

Mr. TAKANO. Thank you, Mr. Chairman. And I, again, thank you for calling this hearing.

Mr. MEGLATHERY. Pretend its MC.

Mr. TAKANO. Meglathery. You mentioned about the problem of the awareness of benefits. This came up in one of my pre-meetings with the VA folks. One of the things I am troubled by is the Federal Government's ability to—not just in the VA—to make citizens aware of what they are eligible for.

Do we have an idea of how we can do a better job of connecting with veterans in need of VR&E services?

Mr. MEGLATHERY. It was I who said that, yes. Well, I got off active duty in 2007, so I certainly knew about the GI Bill benefits and the health benefits, and I remember in my TAPs classes they brought some VA representatives, but I don't believe that they even mentioned VR&E. And I might be wrong, but it certainly didn't strike me as something that I was aware of. I didn't find out about it until a couple years ago.

So it might be—part of why VR&E is not known so well maybe is the fact that GI Bill has been so successful, but I think also, although it is very much focused on the employment aspect of it, there is the educational component to it, and so I think there is probably a way that you can tie those in together as a package for the veteran so that they are aware of all those issues, so it is not just education, it is employment.

Mr. TAKANO. So you are saying that servicemembers are more versed in the GI Bill and don't know about the VR&E services?

Mr. MEGLATHERY. That is correct. And I think they are probably—there are cases too where they might be able to use VR&E benefits where they would instead use the GI Bill because they are aware of the GI Bill benefits, but they are not aware of VR&E.

Mr. TAKANO. So you are saying that though TAP is VR&E benefits are not getting through to service members. I understand that to qualify you have to have a certain level of disability, and I'm asking whether vets are they aware at that point in the TAP process of the rating requirement? Does that come later?

Mr. MEGLATHERY. I think they have done a much better job in recent years of trying to tell the veteran that they need to—before they get off active duty, that they really need to go to the VA to get their rating prior to—like I said, prior to getting off active duty.

So the information I just gave is a little bit dated, so I can get you information for the record in terms of how that is working out now with the notification of VR&E. I am still in the Reserves, so I still am tapped into the Marine Corps.

Mr. TAKANO. Let me hear from some of the other panelists on this access issue and particularly how it relates to the veterans getting information about VR&E services.

Mr. VARELA. So currently, you go through TAP, and its an information dump. I mean, there are so many things flying at servicemembers at that time, home loan eligibility, you have DOL that is providing information, you have VA that is providing information. They are going—they are trying to file their—some are filing their claims at that time, so it is a lot.

Mr. TAKANO. And if you are a vet, particularly with PTS can all of this information be a problem?

Mr. VARELA. Correct, in some cases. So hopefully, and what we believe is going to happen with TAP is they are going to create an

option so that you can go back and relearn what you learned when you got out, kind of a review.

The other thing that I would mention is if you are being medically separated from the military with a 10 percent disability or 20 percent disability or greater, the VR&E component, the voc rehab component is open, so you will actually get to sit down and talk to a VR&E counselor about your options. The issue is that if you are being medically separated, not all servicemembers that are going out are being separated because of a medical disability, so they file their claims somewhere outside of that process and they have to learn about VR&E.

So we have to make sure that we continue to pump out information to them that VR&E services are available.

Mr. TAKANO. So is it the case that a TAP orientation is not done for the medical separations?

Mr. VARELA. I am sorry. Is not done?

Mr. TAKANO. So if you are being medically separated as opposed to going through the regular separation process, is there a TAP process for those being medically separated?

Mr. VARELA. It is not a—there is a separate kind of behind the scenes that takes place when you are being medically separated. You are going to get a different kind of—you are going to get different kind of attention, you are going to get pushed in a different direction, you are going to have VR&E specialized services, but—so the answer to your question is, yes, it will be specialized for those people that being—

Mr. TAKANO. Specialized how?

Mr. VARELA. Yes.

Mr. TAKANO. A variation of it.

Mr. VARELA. It is augmented from what they would generally go through.

Mr. TAKANO. Okay. All right.

Mr. Chairman, I yield back.

Dr. WENSTRUP. Thank you.

Ms. Radewagen, you are recognized for 5 minutes.

Ms. RADEWAGEN. Thank you, Chairman Wenstrup. I would like to thank both you and Ranking Member Takano for holding this hearing today, and I would like to welcome the panel.

My question is for Ms. Ansley and Mr. Varela. In your written statement, you mentioned that veterans rehabilitation and employment counselors' caseloads are too high and that additional staffing resources are needed to ensure eligible veterans aren't delayed in gaining services. Short of increased staff, what is something that VA can do right now to reduce the counselor-to-participant ratio, particularly in rural and outlying regions such as the United States territories in the South Pacific?

Ms. ANSLEY. Thank you for the question. I certainly think that there is a range of opportunities beyond additional counselors, although we do feel additional counselors are a key aspect.

I would have to highlight the need to look at public and private partnerships that may be available in a particular area where there could be an extension of the services that VR&E provides by looking to others that can help to assist to make sure that people don't fall through the cracks. That is, our biggest concern is that

veterans would not feel that the benefits are available to them, things are not timely. And so what tends to happen is people deselect themselves and say, you know, I think I will just not go through the process, you know, I will just go a different route. And that is typically not very successful for many people. And I think that that is what we have seen in States that have vocational rehabilitation programs.

Of course, you know, there are lots of programs that are out there for different types of communities, and VR&E is doing more to partner with those Federal agencies, State agencies, other opportunities. So I think we have to look at how can we work together to meet those needs.

Ms. RADEWAGEN. Mr. Varela.

Mr. VARELA. Yes, ma'am. Unfortunately, there is no way to get around presently the manpower issue. The issue of manpower has been that over the last few years, the rate of counselors has not kept pace with the rate of applicants, has not kept pace with the rate of program participants. So any short-term lift that we can get aside from bodies, aside from people would have to probably come through IT, you know, what can be streamlined through those processes to make maybe the decision process a little easier, the management of caseloads a little bit easier, getting away from a paper environment, moving more to electronic environment, but as was mentioned in the opening statements, you know, we continue to see a drawdown in the military, we continue to have the VA processing more and more and more claims. We are going to need the people to keep up with the demand.

Ms. RADEWAGEN. Thank you, Mr. Chairman. I yield back.

Dr. WENSTRUP. Mr. McNerney, you are now recognized for 5 minutes.

Mr. MCNERNEY. Thank you, Mr. Chairman.

It sounds like the whole purpose really is to get veterans into work and to get them into businesses. Does the VR&E program give help or assistance to service-connected disabled veterans in starting their own businesses? Whoever would care to answer.

Ms. ANSLEY. Thank you for the question. There certainly are opportunities that VR&E is working with, and I know recently as part of the administration's Curb Cuts to Middle Class Initiative, which was targeted at all people with disabilities, VR&E made some connections with Small Business Administration and other groups they haven't been able to make some good connections with in the past. So I think that there is an interest. I don't think it is probably where it needs to be to look at entrepreneurial opportunities, particularly for veterans with more significant disabilities, for whom travel may be an issue and other accessibility. I think that is certainly an area that we do need to continue to augment.

Mr. MCNERNEY. Okay. Well, if you have any suggestions on how to move forward on that, we would love to hear that, and we can see if we can get that into action.

What is the connection, or the overlap between the VR&E programs and the GI Bill? Whoever would care to answer that. Mr. Varela, would you care to answer that?

Mr. VARELA. Okay. So what we are talking about now is the overlap between post-9/11 GI Bill—

Mr. MCNERNEY. Right.

Mr. VARELA [continuing]. And VR&E. And as was mentioned earlier, when servicemembers are getting out, what is emphasized a lot is the post-9/11 GI Bill, which is less cumbersome to utilize and can provide much of the same benefits that are offered through VR&E. So there is some differences. In VR&E, they will pay for your books, they will pay for tuition, they pay for a lot of things in particular. On the other side, on the post-9/11 GI Bill, there is a larger monetary value that you receive from that benefit depending on where you live, based on your BAH. So when you look at the two programs and you say, well, which one do I want to go into, a lot of times what a post-9/11 veteran may say to themselves is, which one is going to be easier for me to enter? And as a post-9/11 veteran, you get to say, I want to use this benefit for these programs, and as long as they are recognized by the VA, you pretty much get to go into that program.

With VR&E, you have to go through a process, which a counselor has to determine whether or not you can enter that program and utilize those services. So they mirror in some regards, but in others they don't.

Mr. MCNERNEY. So can you participate in both the GI Bill and the VR&E programs?

Mr. VARELA. You cannot use both simultaneously. You are either in one or the other. What winds up happening is if you are eligible for post-9/11 GI Bill benefits and you are in VR&E, there is an augmentation of your stipend because of what you would have received under post-9/11, but you cannot use both educational benefits at the same time.

Mr. MCNERNEY. Thank you.

Mr. Meglathery, you mentioned the need for a holistic approach with partners. Could you elaborate on that a little bit, please?

Mr. MEGLATHERY. Well, I was going to say, I think Ms. Ansley actually had kind of pointed that out well when we were talking about manpower shortages, where if you are in an isolated area, maybe, you know, getting other businesses interested in employing veterans, et cetera, so having the local community working with the VA in the area, especially where there is fewer—where there is a lack of presence.

Mr. MCNERNEY. Are there guidelines or incentives that this committee could supply to the business community?

Mr. MEGLATHERY. There are guidelines and there are benefits, and I could get back to you on that.

Do you have any more detail?

Ms. ANSLEY. I think continuing to encourage the partnerships that would occur between VA and community resources by looking at barriers that may exist to participation. I know with PVA's program, it is—you know, we—our work is fund-raised through other means, and we just work with VA to serve veterans, so we are not interested in any type of monetary connection. For others, that may be a concern.

So I think it is looking at what would those community organizations need to serve and be partners, because they want to be, but in many cases, they are also stretched too.

Mr. MCNERNEY. You mentioned, Ms. Ansley, that you could use another 318, I think, new counselors. I forget the exact number, but—

Ms. ANSLEY. 382, I believe.

Mr. MCNERNEY. Oh, 382.

Ms. ANSLEY. 382, yes.

Mr. MCNERNEY. Okay. I got the 8 right, but I was in the wrong tens.

Ms. ANSLEY. We were all close.

Mr. MCNERNEY. So how does that work? I mean, you would get those funded through the VA, the VA would fund Paralyzed Veterans of America to hire those?

Ms. ANSLEY. No. Those would be counselors, VR&E counselors. That is completely separate from our program. That is PVA advocating for VR&E's program to get additional resources.

Mr. MCNERNEY. All right.

Thank you, Mr. Chairman. I now yield back.

Dr. WENSTRUP. Thank you.

Ms. RICE. you are now recognized for 5 minutes.

Ms. RICE. Thank you, Mr. Chairman.

Mr. Varela, maybe I missed this. What is the exact ratio of counselor to veteran?

Mr. VARELA. That depends on what regional office you are looking at.

Ms. RICE. Is there an overall number, or do you have to go that—

Mr. VARELA. I believe if you took all of them together and you looked at the ratio, it comes out to about 137 veterans for every one counselor. Yeah.

Ms. RICE. Okay. So clearly, that is the reason for why you need more counselors, because you can't possibly—no matter how good your IT follow-up system is, you can't have one human being able to do the necessary follow-up. Do you agree?

Mr. VARELA. I agree. And then what makes it even more complicated, when you are looking at a group of disabled veterans, let's say it is even 125, we get it down to that number, you know, how many of them are going to have more severe disabilities than their other disabled veteran counterparts and require more hands on, more time, and more effort to make sure that they are being shepherded through the program properly. So—

Ms. RICE. Is it a resource issue for the lack of counselors or a training issue? What is it?

Mr. VARELA. It is multifaceted. It is not—so if we bump up VR&E counselors, let's say that Congress somehow managed to get them to 125 or better, okay, does the VA have the space in its facilities to accommodate an increase in VR&E counselors? So what other options do you have there. Because along with bumping up your VR&E counselors, you also need the support personnel to help them.

Ms. RICE. The IT enhancements that you were talking about for follow-up purposes, and I know Mr. Takano was asking about using IT, any aspect of the IT enhancement that could address informing veterans of this service, VR&E service, what kind of monetary in-

vestment in the IT system would that require? Do you have a dollar figure for that?

Mr. VARELA. I believe we may have included that in our Independent Budget recommendation, so I will have to take that——

Ms. RICE. Okay. I will——

Mr. VARELA [continuing]. Question for the record, and I will be sure to get back to you.

Ms. RICE. Okay. So I am just going to stay with you, Mr. Varela. The 20-year study that Congress mandated found that 90 percent of participants are moderately to highly satisfied. How do you get that statistic? I mean, is there, like, a follow-up questionnaire or——

Mr. VARELA. That is a good question, because we had actually asked to see what that questionnaire looked like, and we were not provided with that.

Ms. RICE. Okay. Well, maybe we can find that out, because I would like to know how they came to that number of 90 percent of participants. It seems awfully high.

Mr. VARELA. Yes.

Ms. RICE. I just wonder what the universe of people are.

Mr. VARELA. And the questions, obviously, right?

Ms. RICE. Yeah. Certainly, and the questions. Right. The other thing that they found was that women make up a larger percentage of VR&E program participants, 17 to 20 percent than the overall veteran population, which is 9 percent. Are we communicating these services of VR&E better to women vets than we are to men vets? I mean, have you seen an increase more in women accessing this service than men? I mean, help me out there.

Mr. VARELA. I couldn't speculate other than they probably pay better attention than me. So that is probably——

Ms. RICE. Well, we know that. Women are far more oriented that way.

So, Ms. Ansley, just my last question. And this goes to what Mr. McNerney was getting to, and I understand trying to involve on a local level small businesses in more rural areas, but is there a gold standard, or a template, for public-private partnership in this VR&E program, meaning are we reaching out to, you know, big businesses, you know, across the country and in individual areas to partner with them? I mean, we just had the Brave Act passed out of here that actually would allow the Secretary of the VA to give preference to businesses that are seeking Federal contracts that show that they have a record of hiring veterans. I mean, I think we all agree that they are some of the most highly-trained Americans that we have.

So is there at present a public-private partnership that exists in that limited area with the VR&E program to help funnel people accessing the VR&E program into private businesses who have shown an interest in hiring veterans?

Ms. ANSLEY. I think that is part of the multifaceted interplay between not only VR&E, but then also the Department of Labor's Vets Program, which, you know, provides assistance for disabled veterans seeking benefits. So I think it is more—in some cases, it is not necessarily VR&E reaching out directly, but are there Federal partners who work with those companies working with VR&E

to provide those pipelines. For instance, the Office of Federal Contract Compliance at the Department of Labor works with Federal contractors. There are Federal mandates as far as hiring people with disabilities, hiring veterans with disabilities. These companies want to hire veterans and want to hire people with disabilities. And it is about trying to make those connections, because what we hear from the contracting community is, you know, we want to hire people, but we don't know where to go, we don't know where to look to find the people that meet our requirements.

So PVA is working in collaboration with other groups to work with Industry Liaison Group, which is part of Department of Labor, it is the Federal contractor group that looks at how they can meet their requirements.

So sometimes it is making those connections for people that may exist in other government silos, if you will—

Ms. RICE. Right.

Ms. ANSLEY [continuing]. And helping to say, hey, we have got people over here that we are training. We know that you need employees who have these qualifications to help you meet, you know, these specific requirements. How can we better work together?

Ms. RICE. Well, whatever—we can speak off-line in terms of helping to figure that out, because to me that—we have the willingness to hire, and if it is just a simple lack of communication or coordination, we should be able to put that together, it seems to me. Right?

Ms. ANSLEY. That would certainly be a goal that we would want to accomplish.

Ms. RICE. Great. Thank you.

Thank you, Mr. Chairman.

Dr. WENSTRUP. Mr. Costello, you are now recognized for 5 minutes.

Mr. COSTELLO. Thank you, Mr. Chairman.

Greetings. I had the opportunity to review the testimony in advance, and I would like to ask a question for each of you to address. I think one of the main concerns, at least one of mine, I think maybe probably for most others, is how to improve the collaboration between VR&E, VHA, and other parts of the VBA to reduce overlap and improve performance?

Can you share with me where you see the greatest opportunities are for increased collaboration, and how would you improve collaboration to enhance services provided by VR&E?

Mr. VARELA. Thank you for the question, Congressman. Where is the opportunity for that collaboration? Where can it would be enhanced with all three partners? Right here. We need to get everybody to the table and talk about what we can be doing to help one another, what are some of the barriers that we are seeing out there, how can we eliminate them. I don't know that it would need to be so formal as a hearing, but certainly a roundtable with these representatives to talk about, what are the challenges? What do we need to do? If legislation is needed, then that is when we have this conversation. If is something that does not require legislation, then we take care of that behind the scenes.

Ms. ANSLEY. It really gets to the idea of being veteran-centric and looking at how do we meet those needs. Veterans don't look at, you know, well, that is VBA and that is VHA and all these dif-

ferent components. So if we begin to look more holistically at a veteran approaching the VA, you know, I always think of healthcare and benefits are your bedrock, they are your foundation, those are what allow you to then succeed in employment. You need housing so you have a place to live. You need transportation options so that you can get to your home and your job. I think, really, beginning to look at more of that focus on the veteran and what the veteran needs as opposed to the individual programmatic focus, which doesn't always see how the different programs interplay, and then what the veteran sees when he or she is trying to work with those different programs.

Mr. MEGLATHERY. And I think that is a great point about how the veteran sees just—they see VA, they don't see VHA, they don't see VBA, and so I think there is maybe, when they are—certainly when they are getting off active duty, at least, points of contact, a specific point of contact so they can go to that person individually and that they can provide them the information that they need on all sides of that, because they don't see VBA, VHA.

Mr. COSTELLO. Thank you.

Mr. Varela, in previous testimony, you mentioned that VR&E's focus is primarily aligned with education and training as opposed to immediate employment. And whether that is precisely what you said or what you alluded to, that is not—I am not going at you with that, but with that as context, how do you think that the VA can better incentivize the employment track? Mindful that veterans, like everyone else, has financial commitments and limited resources, and we are the economic opportunity subcommittee, can you share with me how we may be able to better focus on an employment track within the context of what we are talking about?

Mr. VARELA. Sure. Thank you, Congressman. And thank you for softening that approach. I do appreciate it.

Mr. COSTELLO. I try and be soft.

Mr. VARELA. The one thing we have to remember is that all tracks in the VR&E are employment tracks. It mean, the goal of VR&E, aside from independent living, and yes, the goal of independent living is to hopefully get somebody into employment as well, they are all employment-driven. So are we looking at rapid employment, are we looking at reentry into employment, long-term to employment? And it really comes down to, number one, what VR&E is going to determine that this individual is capable of doing? Okay? I come to VR&E and I say, I want to be a helicopter pilot. They may turn around to me and say, that is really not something that we are going to put you in this program to do, but based on your background, you know, we may put you in a program to be a mechanic or we may put you in a program to be, you know, a nurse, depending on what I am still qualified to do and what I am capable of doing.

The other component of that is, is that VR&E counselor going to be able to spend the time that they need to spend with that veteran to ensure that they are going to complete the program?

You know, one of the other issues that we have in VR&E is there is a lot of turnover in VR&E. What winds up happening is I may have developed a relationship with a VR&E counselor, I feel very comfortable with this counselor, and for some reason, that coun-

selor is no longer there, so I have to restart over again with somebody else and hope that this person keeps me along the same track, shows the same interest. But every time you switch around, whether it is a doctor, whether it is a mechanic, or whether it is somebody in VR&E, you lose a little bit of that confidence. So if we can keep those VR&E counselors in VR&E, keep them happy, keep them working with those individuals that they have been working with, I think that is going to help ensure a successful outcome.

Mr. COSTELLO. Thank you.

Dr. WENSTRUP. We will do a second round of questions who has interest here to do that. I appreciate you sticking around for that.

The longitudinal study, by the way, is available, and we can get you access to that, the questions, that were asked. So I am not sure where you got road-blocked, Mr. Varela, but we will get you that access.

And I also appreciate the notion of a roundtable to talk about collaboration, and would like to try and get that on our schedule some time in the fall. The roundtables we have had in the past have been, I think, very productive and a good way to go about discussing some of these issues rather than a hearing in some cases. So just wanted to let you know we are going to try and proceed in those directions.

I do have a question for Ms. Ansley to touch on a little bit about the relationship that you have as a non-profit working with voc rehab, and what are some of the opportunities that exist for other non-profits to try and help veterans and possibly ease some of the caseloads that we have.

Ms. ANSLEY. Thank you for the question, Chairman. The relationship that our Operation PAVE has been able to work out with VA has been beneficial, not only in looking at extending services to people, the veterans that would be eligible for both programs, but also people who contact VA that are not eligible for the VR&E program.

So, I think that that is one of the important aspects also of connecting with community partners, is that veterans who are non-service connected, family members, caregivers, you know, they are not eligible. And so we understand that in many cases, there have been connections to our program so that those individuals can be served.

I think that for many non-profits that we work with, we work with a lot of other non-profits in the disability community who provide employment services to a wide range of people, including veterans, and a lot of times it becomes issues of not knowing who to connect with in the VA. If you connect one place, that doesn't mean you are going to be successful in connecting in other locations around the country. So I think having—you know, there has been a focus on how to connect with those local partners, but I think continuing to break down the barriers so that groups understand, who do I contact, how do I make the connection, and how do I show that I already serve this population in some respects, or maybe I serve people that you can't serve, and how can we work together to meet the broader veteran community. I think, again, those local community roundtables of even looking at what is happening in a particular community, a particular State, what are the resources,

because in some places there may be a non-profit that doesn't exist in another part of the country, and so being able to find out what is on the ground in your area, and then finding out, VA asking, are there questions, you know, what are barriers that we are presenting that prevent you from being able to serve our population of veterans, how can we better work with you to refer, you know, all of those different questions, but it really does begin on a very local level, but that is fostered by a messaging coming from the top that this is important.

Dr. WENSTRUP. You are a large organization nationwide. So that—it is to your advantage, I guess, to be able to plug in. So what you are suggesting is it is a little bit more difficult sometimes to make sure the people know about these outside services. Does the VA know that these outside services exist?

Ms. ANSLEY. Right. Right. Do you know what services are available in your community and who it is that they serve so that when you are contacted by someone—like I said, if it is somebody you can't serve, somebody who you know, okay, we have—there is a great nonprofit in this area; they have a particular interest; we can partner with them. How could we learn from each other? How can we share best practices?

I think that that is really what you benefit from. There are certainly organizations like ours that are across the country, but then there are others that are more local, more regional, that it would be great for VA to have those connections, and for veterans, you know, to be able to connect with long term and, like I said, their families, as well.

Dr. WENSTRUP. Well, how did you establish your referral pattern?

Ms. ANSLEY. It has really been local counselors working with their local VR&E offices and making those individual relationships. In some cases, we know that they have worked really well with the VR&E office. I know we have one place where the OEF OIF office has been—at VA, has been a referral point. So we have talked with the VR&E staff, and they—at the national level, and they are interested in looking at how they can better make their local offices aware of this program, and not only our program, but other similar programs that are out there.

Dr. WENSTRUP. So in your situation, you made the outreach?

Ms. ANSLEY. Typically, that is my understanding. I mean, I am sure—again, individualized locations may have different connections. But there are different connecting points at different regions, just like you see one VA, you have seen one.

Dr. WENSTRUP. Well, thank you very much.

Mr. Takano, you are now recognized for 5 minutes.

Mr. TAKANO. Thank you, Mr. Chairman.

I have heard that the average level of disability rating for VR&E participants is around 60 percent. Does that sound right to you, more or less? I mean, it is not like there are people—that most people in the program are at 10 percent or 20 percent disability. People come to VR&E with significant disability ratings, service-related. Is that right? I mean, it is around 60 percent?

Mr. MEGLATHERY. Yeah. I believe I have seen that number, the 60 percent.

Mr. TAKANO. Yes. So I just want to make sure the committee understands what we are dealing with here.

And the other thing is that the turnover rate among the counselors, what do we know about that turnover rate? Do you have a stat on that?

Mr. VARELA. That is information that we can obtain. I don't have that—

Mr. TAKANO. You can obtain that? Okay. I would be interested to know, because, obviously, it is intuitive that the more stable the rate is, and the more that the servicemember or the veteran can stick with one counselor, I think the better outcome is going to be. If the counselor leaves, that is just another bump in the road, a challenge for that vet.

I would love to see this roundtable happen, because I think this idea of the connections between the private sector employers who want to do this, who want to help, and to be able to get in the minds of those private sector employers where they can go, who they can register with to show availability. This matchmaking, doesn't necessarily happen instantaneously. It may take us time to develop that veteran for employability, but to work with that employer that will take—wants to work with somebody who may have lost a limb or—that is a challenge I think we should be able to solve.

I want to ask a question about—as a point of clarification. You say that the benefits under the 9/11 GI Bill and the VR&E benefits, they are not able to simultaneous use them, but they can be used sequentially, correct? You can be deemed entitled to VR&E benefits, use those benefits, but then potentially use your GI benefits afterwards; is that correct?

Mr. VARELA. That is correct. Basically, what I was trying to say was you cannot be in Chapter 33 or Chapter 31 simultaneously, although you could be eligible for both. And the only exception to that is the augmentation of the stipend that takes place in VR&E if you are also eligible for Chapter 33 benefits.

Mr. TAKANO. One of the things I have been concerned about with post-9/11 GI Bill benefits, is that I know that we have enormous numbers of people in the general population that cannot meaningfully, access, community college. I am not talking about veterans. Up to 70, 80 percent, of all incoming students lack the ability to place into college level English or math.

Now, if you are using GI Bill benefits, you have to be enrolled full-time in order to get your housing stipend. And if you don't get into a college level math or college level English course, you are not taking actual credit bearing classes and, therefore, you can't meaningfully access your GI Bill benefits, and we don't pay for the remedial education. And I am not someone who believes everyone should go to college, necessarily.

You can go into training programs, I am wondering on the VR&E side, what happens to veterans that may not have the skill levels yet to place into college level math or English? I mean, they may have such a disability because they never attained the college level readability. Do we have a way to provide—does the current law allow us to provide developmental education for that vet under VR&E?

Mr. VARELA. I would have to research that to be 100 percent certain. I would assume, knowing what I know about the VR&E program, that if you had an employment—because, basically, you are using your education to get to employment. That is the goal.

Mr. TAKANO. Right. For many of the folks, they need to be able to be more in a more educated vocation than not.

Mr. VARELA. Correct. I believe that VR&E would be able to help a veteran overcome those barriers, maybe offer some additional testing, some additional classes to get them to that level. But I want to confirm that before I respond in the affirmative.

Mr. TAKANO. Okay. Thank you.

Dr. WENSTRUP. Mr. McNerney, you are recognized for 5 minutes.

Mr. MCNERNEY. Thank you. I have a couple of questions for Mr. Meglathery. You mentioned, and one of the other panelists mentioned, the one-year monitor of employment is insufficient. What is the current practice? I mean, not that they are insufficient, but they need a one-year monitoring program. What is the current practice?

Mr. MEGLATHERY. That would be 60 days, sir.

Mr. MCNERNEY. 60 days. So they are watched and see if they are employed for 60 days, and if they lose the job within 60 days, they go back into the program; is that correct?

Mr. VARELA. So what happens is they are going to monitor a veteran that completes the program for 60 days. Now, that doesn't mean that services within VR&E are terminated. They can come back to VR&E and receive those same services. What we are talking about is the point in which VR&E can consider a case closed or where they can consider a case successfully rehabilitated. So they use that 60-day marker to say that after 60 days, this person has been successfully rehabilitated. And what we are saying is before you make that successful rehabilitation determination, you probably need a little bit longer period of a time before you can reach that conclusion.

Mr. MCNERNEY. I mean, is that just a statistic, or do they use that 60-day failure to try and reenter the veteran into a program?

Mr. VARELA. They are going to use—VR&E's purpose for using that 60-day demarcation timeframe is to be able to report out that we have had a successful rehabilitation in that 60 days—is that timeframe when they can do that in the case.

Mr. MCNERNEY. So it needs to be more than just the statistic anyway?

Mr. VARELA. Correct.

Mr. MCNERNEY. Okay. The other thing is, you mentioned, Mr. Meglathery, that veterans with mental disabilities have more—have worse employment outcomes. Could you go into that a little bit for me?

Mr. MEGLATHERY. Well, I think, based on the fact that it is harder to maintain a job if you have some sort of—if you have post-traumatic stress, it might limit you from the ability to—I mean, those kind of injuries kind of run the gamut, whether you can leave your house, whether you can work regular hours, whether you can sleep at night to traumatic brain injury, where maybe certain cognitive functions you have had in the past, you no longer have, but maybe you can do manually. So it might take longer to train to

those as opposed to someone that maybe lost use of a limb, for instance, but they are able to do most anything else that they could have intellectually or even physically in some sense.

Mr. MCNERNEY. Is there additional service needed, or help needed, for folks with post-traumatic stress or other mental disabilities as a result of combat that would be useful in job training that isn't available now?

Mr. MEGLATHERY. Well, I think in one instance, it is a matter of time. So when we say that the ratio, 1 to 125, if everybody's on an equal playing field, maybe that is the case, whereas it might take longer for somebody with some sort of issue, TBI, PTS, or something like that. It might take that individual longer. So it is based on the individual.

Mr. MCNERNEY. Okay. Thank you, Mr. Chairman.

Dr. WENSTRUP. Ms. Rice, you are now recognized.

Ms. RICE. Thank you, Mr. Chairman. So, Mr. Varela, I am going to ask you this question. There was some VR&E data, and the first thing that I want to make reference to is the volume of VR&E applications has increased over 30 percent from fiscal year 2011 to fiscal year 2014 with a nearly 10 percent growth in VR&E participants over each of the past 2 years. That is a pretty significant increase, right?

Mr. VARELA. We would think so. We believe so.

Ms. RICE. So the next thing is what causes me—I am curious about, it says even with this traumatic growth, VR&E provided entitled determinations to applicants with an average of 43 days, below the national target of 45 days. How can that be? That with an increase in applicants, there are actually being more efficient, and is it the counselors that you are talking about who make that initial determination?

Mr. VARELA. The counselors—the counselors will make a determination on entitlement, whether a veteran is eligible or ineligible. How they are making more entitlement decisions, does that tell us that they are making more entitlement decisions to grant access into the program, or are they simply just making decisions; yes, you are in or no, you are not in? Does that number correlate with an increase in the number of participants. I would need to tease that information out.

Ms. RICE. Well, I think we need to. Because I don't see how you can have any increase at this rate of people seeking these services and the determinations are actually made below the targeted rate when we are talking about one of the biggest needs being an increase in counselors, who are the ones who are making these determinations. So that, I just thought, was a little curious. And I didn't know if you would have the answer to that.

So can I just continue on what Mr. McNerney was asking before. If someone—so right now, if you—if someone is placed and you monitor them for 60 days, and they stay in that employment, and you see that as a successful transition, say, 90 days or 120 days later, if that veteran loses their job at any time between 60 days and whenever, do you have a number—do you know how many people are in that category post 60 days separation from their employer who come back to reaccess the VR&E services, and are they allowed to at any time after that?

Ms. ANSLEY. Certainly, veterans who—there would be an opportunity for them to come back to the program. I think the reason to keep engaged, though, and not get to that step is you don't want people who have had—been unsuccessful in the workplace to then decide, okay, I tried, and now I am going to—I am going to just say that I am not going to be able to work. That, I think, is the biggest—is the bigger reason.

Whether somebody can't come back because, yes, there are opportunities where they can come back, but it is already a big step for somebody whose life has now changed with a significant disability to return to the workforce. Just like all of us, you know, 60 days is kind of not a very good time to be able to adjust. Throw in the fact that now you have never worked before as a person with a disability, you know, you have got accommodations, you have got other things you have got to figure out, it is just a barrier. That is the real issue, whether somebody can come back or not. The issue is sticking with them so that you can work through the bumps along the road that pop up.

I know a lot of veterans that I have talked to, they are looking at what are my rights under the American with Disabilities Act, most of them were in the workforce. But they were thinking about, maybe I am just going to have to quit because I can't get my employer to make this accessible, or I don't know what to do. That is a step we never want to get to. And so I think that is really what we are saying.

Ms. RICE. But there is no legal impediment or barrier to a veteran who loses their job post 60 days coming back and reaccessing your services—these services, VR&E services?

Ms. ANSLEY. VR&E services.

Ms. RICE. Okay. Thank you.

Dr. WENSTRUP. I think all Members of Congress can probably remember their first 60 days in Congress and relate to the challenges of that situation.

But if there are no further questions of panel 1, I now excuse you, and I thank you all very much for being here, and I ask the second and final panel to come to the witness table.

Our second panel, we have Mr. Jack Kammerer, the director of the Vocation Rehabilitation and Employment Service at VA. We also have Mr. Ralph Charlip, deputy assistant secretary for operations and management at DOL's Veterans Employment and Training Service. Welcome to both of you.

Mr. Kammerer, you are now recognized for 5 minutes for your testimony.

STATEMENT OF JACK KAMMERER

Mr. KAMMERER. Chairman Wenstrup, Ranking Member Takano, subcommittee members, I appreciate the opportunity to appear before you today to discuss VA's VR&E program and our efforts to transform. We are engaged in initiatives to extend outreach, gain a better understanding of our current and future veteran population, increase program efficiencies, enhance supporting technology and reframe performance metrics. The VR&E program assists servicemembers and veterans with service-connected disabilities and barriers to employment in preparing for, finding, and

maintaining suitable employment. For veterans with service-connected disabilities so severe that they cannot immediately consider employment, independent living services help to improve the ability to live as independently as possible. We employ nearly a thousand professional vocational rehabilitation counselors and deliver services through a network of almost 400 locations.

Our service delivery supports veterans where they live and includes operations at 57 regional offices, 165 out-based offices, 71 installations for IDES, and 94 VetSuccess on Campus sites. As VBA continues to make progress, major progress on the backlog, more veterans with service-connected disabilities are potentially eligible for and in need of vocational rehabilitation services. The volume of VR&E applications has increased over 30 percent from 2011 to 2014 with nearly 10 percent growth in participants in each of the past 2 years.

In 2014, VR&E provided entitlement determinations to applicants in an average of 43 days, which was below the national target of 45 days.

The total number of VR&E cases worked by VRCs, including applicants, exceeded 181,000 in 2014 and VR&E participants increased to nearly 124,000 in 2014. We successfully assisted over 10,000 veterans in achieving their rehabilitation goals in 2014 with over 8,600 of those employment rehabilitations.

Our colleagues at Department of Labor share our resolve towards these employment outcomes. With a team of 79 VSOC counselors, VR&E continues to partner with 94 schools to provide services to approximately 78,000 veterans on campus. Our counselors coordinate delivery of on-campus benefits assistance, educational, vocational, or adjustment counseling, and assist veterans in completing their education and entering the labor market in viable careers.

We are committed to the VSOC program and continue to evaluate schools for potential future participation. We also closely collaborate with Department of Defense to provide VR&E services to servicemembers going through IDES, have deployed nearly 200 IDES counselors on 71 installations. We are jointly visiting select IDES sites with the Army's Warrior Transition Command to improve the VR&E referral process and enhance our outreach and early intervention counseling services. Since July 2014, we have visited 12 Army installations with the Army's Warrior Transition command. We also continue to work on Chapter 36 educational and career counseling services to transitioning servicemembers and veterans, updated our Chapter 36 information and incorporated it into the Transition Assistance Program curriculums with those updates.

VR&E is also preparing for the initial development of our new case management system. The goals of the new system, develop a paperless service delivery model, better support veterans on their own terms, ensure consistent service delivery and quality, and modernize the employee experience.

In collaboration with VHA, VR&E has also expanded the use of VHA telehealth and CAPRI technologies to enhance direct veterans service through online counseling technology and electronic medical referrals. VR&E is now implementing new performance measures that will place a greater focus on veteran outcomes. Success rate is the percentage of veterans who complete their goals and/or have

obtained employment (positive outcomes), and the persistence rate is the number in the class who have successfully achieved a positive outcome plus those persisting in their rehabilitation, both measured against veterans in their class. We will use a 6-year completion model that better reflects the individual needs of veterans in VR&E. These new measures of veterans VR&E success are driven by positive outcomes and active participation. VR&E continues to refine our business processes. We have lowered cost approval thresholds for IL construction to \$15,000, and we have implemented additional self-employment reviews.

At the VR&E training conference last month, we discussed both improving service delivery and accountability for case management. As caseloads continue to grow, we continue to look at ways to reduce the workload burden on our counselors.

Of the two remaining open GAO recommendations, new performance measures were implemented on 1 July, and we are awaiting development of the new VR&E case management system, which will help us to track the post-outcome closures. The 20-year congressionally-mandated study of VR&E cohorts, 2010, 2012, and 2014, has provided us a wealth of information to date. This year we found that approximately 90 percent of participants for all cohorts reported moderate- to high-program satisfaction.

Nearly one-quarter of our veterans in each cohort have a primary rating for PTSD; 85 percent of veterans who achieved rehabilitation from an employment plan in Cohorts I and II are currently still employed, and veterans who successfully complete the VR&E program report more positive economic outcomes, higher employment rates, annual earnings, and more frequent homeownership.

Mr. Chairman, we will continue to assess and improve the delivery of VR&E services, and we remain focused on transforming VR&E. This concludes my statement. I would be pleased to answer your questions.

[THE PREPARED STATEMENT OF MR. JACK KAMMERER APPEARS IN THE APPENDIX]

Dr. WENSTRUP. Thank you, Mr. Kammerer.

Mr. Charlip, you are now recognized for 5 minutes.

STATEMENT OF RALPH CHARLIP

Mr. CHARLIP. Good morning, Mr. Chairman, Ranking Member Takano, and distinguished members of the subcommittee. My name is Ralph Charlip, and I am the deputy assistant secretary for operations and management with the Department of Labor's Veterans Employment and Training Service.

I am also honored to be a retired Air Force medical service core officer, having served 22 years on active duty before becoming a Federal civil servant.

Thank you for the opportunity to participate in today's hearing to discuss the Department's role in providing employment services to our Nation's veterans and servicemembers in coordination with the VA's vocational rehabilitation and employment program. The Department takes our role in providing employment services to veterans and transitioning servicemembers, including those in the VA's VR&E program, very seriously. DOL-funded support for veterans with significant barriers to employment is delivered pri-

marily by disabled veteran outreach program specialists DVOPS in American job centers across the country. DVOP positions are funded through the jobs for veteran State grant (JVSG) program administered by DOL VETS. JVSG-funded positions are aligned with other employment services provided at American job centers.

DOL's employment services for disabled veterans complement the services provided by VR&E counselors. This requires close coordination between VR&E and VETS and is managed under a memorandum of agreement (MOA) between DOL and VA. The most recent MOA is dated February 27, 2015. The MOA describes the goals of our coordination, the roles and responsibilities of each party, and establishes a working group comprised of staff members from both departments to manage the collaboration. We see ourselves as a vital member of a multiparty team—DOL, through Federal, State, and local staff, VA's VR&E counselors, and the disabled veterans who benefit from our services.

VA's VR&E is a comprehensive rehabilitation program that assists servicemembers and veterans with service-connected disabilities and barriers to employment in preparing for finding and maintaining suitable employment. DVOP specialists, on the other hand, provide intensive services to a wider variety of veterans who have significant barriers to employment. These barriers may include a service-connected disability, homelessness, low income, lack of a high school diploma or equivalent, or similar challenges. While VA is not required to refer VR&E participants to DOL for assistance, the new MOA strongly encourages such referrals.

In practice, a veteran who is enrolled in the VR&E program and is referred to DOL interacts with the DVOP at two distinct points. The first point is during or following enrollment in the VR&E program when our DVOP specialist provides labor and marketing information, guidance to applicants, new enrollees, and their counselors. This includes information about the types of jobs that are available in the geographic area where the veteran desires to work, and assessment of the veterans' skills and the kinds of training and education that would be required to enter a particular industry.

The second point occurs when the veteran nears completion of the VR&E program and is beginning to look for work. When the veteran is referred to DOL for employment services, a DVOP specialist works with the individual to prepare them for jobs which match their abilities, education, and training, and are in the career field and geographic area identified within VR&E's individual written rehabilitation plan.

The story of Lori Mobbs provides one example of how this inter-agency coordination works. An Army veteran with more than 15 years of military service, she utilized the VR&E program to complete her degree in geography in December 2014. Through effective collaboration between the Department of Veterans' Affairs and the Alabama Departments of Labor and Veterans' Affairs, she met with the DVOP specialist. Who provided Federal job search assistance during her initial visit an AJC in Huntsville, Alabama. Because she was eligible for intensive services and because of her strong desire to obtain employment with the National Park Service, the DVOP specialist assisted her in applying for several jobs with the

National Park Service. I am very pleased to report that she accepted a position at Olympic National Park in Washington State in April 2015 and reported to work last month.

DOL and VA coordinate to give veterans seamless services to achieve their employment goals. We are proud of the DOL programs that deliver positive employment outcomes for our disabled veterans and look forward to continuing to work with our VA partners and this subcommittee. Chairman Wenstrup, Ranking Member Takano, distinguished members of the subcommittee, thank you for the opportunity to take an active part in the hearing. I welcome any questions you might have.

[THE PREPARED STATEMENT OF MR. RALPH CHARLIP APPEARS IN THE APPENDIX]

Dr. WENSTRUP. I want to thank you both for your testimony. I will now yield myself 5 minutes for questions.

Mr. Kammerer, we heard today that the standard ratio for the counselors is 1 to 125, and the budget estimates that it would take 382 full-time employees. Do you think that number is correct to be able to get to that standard?

Mr. KAMMERER. I am sorry, Mr. Chairman. I didn't hear the second question. I heard the 1 to 125.

Dr. WENSTRUP. The other part of the question is that the independent budget estimates that it would take 382 full-time employees to reach that 1 to 125. Do you think that is a good estimate?

Mr. KAMMERER. I would have to look at the numbers, Mr. Chairman. I haven't analyzed the numbers. I would say our caseload right now for fiscal year 2014, our average caseload was 135 per counselor. As of the end of May, it was 139 per counselor. It is—as I testified in my opening statement, the number of participants has grown about 10 percent in the last 2 years. So I think that right now we are on estimate to exceed the participants from last year. So I think that explains the growing caseload, and it is something I will take a look at to answer your questions.

Dr. WENSTRUP. Sure. Also you talk about standards, but there is also best practices and what is actually working. And so my next question comes down to what the staffing looks like for each counselor. How many people do they have working under them? And what are their roles? In other words, we heard from the previous testimonies today that talk about enhancing follow-up through IT, and so my question comes in, what type of role does the staff for each counselor take? Are they doing some of the follow-up? Are they keeping up with the client, if you will? And are they another access point into the counselor office, if you will? What does that look like right now?

Mr. KAMMERER. That is a great question, Mr. Chairman. The counselors are supported by support staff. It is not robust, but the fact is, as you mentioned, we are trying to reduce the administrative burden on the counselors through a variety of means. But one of those is the new case management system that you described. The next is to look at new case management procedures to streamline the process, whether it is Lean Six or other means that we are looking into. In our conference last month, we presented some simplified case management flows to the counselors to help them. And

then work studies, volunteers. We do have contract support, Mr. Chairman.

Dr. WENSTRUP. Well, what does that look like now in numbers? From what you just said, I have no idea if the counselor has 30 people under him or one.

Mr. KAMMERER. It depends on each regional office, Mr. Chairman. I can get you the breakdown per regional office. As I mentioned, it is a very small support staff that supports the counselors. The counselors do a lot of the administrative processing in terms of the caseload for their veterans. The support staff assists with the processing of the applications, but the case management itself is a very counselor-intensive process.

Dr. WENSTRUP. We talked about this yesterday in our conversation.

Mr. KAMMERER. Yes, sir.

Dr. WENSTRUP. Like Lean Six Sigma, and things like that. You said the Secretary understands this type of thing. If it varies from one place to the other, I think we have a problem. And I think that we should be able to come up with what works best, especially in the veteran population. And I would suggest that we task ourselves with that, or I task you with that, if you will. But we need to find that out, what is the best model for staffing? That is how any business would operate. And how do you serve your client the best. Is it one person? Is it three people? Are they assigned with roles or follow-up? I am not getting answers to that today. And I would like to know, really, where we are with that and how we are headed to, truly, evaluate what is the best practice method for that.

Mr. KAMMERER. Yes, sir. I will certainly follow-up and get you more detailed information on that. And I certainly concur with your thought that the bottom line is we need to ensure consistent service delivery, and we need to make sure we understand what is going on in each individual office. Because, as I mentioned, the caseload per counselor is an average, but each office has individual circumstances.

Dr. WENSTRUP. Mr. Takano, you are a now recognized for 5 minutes.

Mr. TAKANO. Thank you, Mr. Chairman.

Mr. Kammerer, you are familiar with Vet Success on Campus, that program?

Mr. KAMMERER. Yes, sir.

Mr. TAKANO. The counselors work with the veterans that are actually on the campuses, correct? And do you know if they are able to connect students that might be eligible for VR&E services with those services?

Mr. KAMMERER. Yes, sir. That is a great question. As I mentioned in my opening statement, we currently have 79 VSOC counselors at 94 locations. The VSOC counselors, they are trained vocational rehabilitation counselors with a master's in counseling. They have a separate performance standard, and one of their performance elements is to conduct outreach and to connect with veterans. And the thought is—and on our 94 campuses, we serve about 78,000 veterans.

Last year we connected with about 29,000 veterans, Mr. Takano, first time, and about 28,000 returning veterans. So as part of their

duties, they are supposed to conduct outreach. We are very aggressive about connecting with veterans. And then once we connect with those veterans, we provide them information on the range of VA benefits and services.

And your specific question was do we help them with vocational rehab employment. The answer is in some cases, they may become our clients. In other case, they are our clients. Or in other cases, they may need Chapter 36 or other support. So we try to reach them, and we try to connect and help them.

Mr. TAKANO. I can imagine this is a pretty key point of contact for those veterans, because they are going to the university or the community college. If there happens to be a VSOC counselor there, they likely make contact with that counselor. And if that counselor is able to get to know that student, the question is, are they able to refer them to VR&E if they might be eligible.

I want to know, is there a risk that service-connected disabled student veterans are going to school on the GI Bill, because when they went through TAP they may not have understood that they could be eligible for VR&E services? Is there a risk that they could miss out on opportunities and resources that are exclusive to VR&E? Can you comment more on that?

Mr. KAMMERER. It is an excellent question, sir. Thank you for that question.

We have certainly reinforced our content in the Transition Assistance Program about vocational rehabilitation and employment. As I mentioned in our statement, we have also provided additional updated content recently about Chapter 36 to make sure we reach veterans transitioning servicemembers about that.

But the bottom line is we need to make sure that we provide the best information we can to transitioning servicemembers in TAP, or even in the refresher online, or even in the IDES program. As I mentioned, we have nearly 200 counselors out there working on installations. But we need to make sure that we present the information about the VR&E program.

In some cases, Mr. Takano, as you know, a veteran—as you heard in the previous testimony, would make a choice between the GI Bill or applying for VR&E. And then once they apply for vocational rehab and employment, as was previously testified, there is an eligibility and entitlement decision to be made, and the veteran then applies, needs to be eligible with a 10 percent or 20 percent disability, and the entitlement decision, as you know, is based on the employment barrier that that veteran may or may not have, based on their service-connected disability.

Mr. TAKANO. If they are pursuing their educational benefits under the GI Bill and they suddenly discover that they are having trouble succeeding in their course work, is the vet at that point able to go and seek eligibility under VR&E?

Mr. KAMMERER. Yes, sir. That is a great question.

If you are using your GI Bill and later determine that you would like to apply for VR&E, we can certainly serve you. We still would have to go through the eligibility and entitlement. And then, certainly, once you are eligible and entitled, as you heard in previous testimony, our counselors certainly have a wide range of resources to support the veteran going through their education. About over

60 percent of our clients last year were in education and training programs and our counselors have a robust number of means available to assist those veterans in going through their education experiences.

Mr. TAKANO. Great.

Thank you, Mr. Chairman. I yield back.

Dr. WENSTRUP. Mr. Costello, you are now recognized.

Mr. COSTELLO. Mr. Charlip, do you have any way to track how many participants that were referred to DOL by VR&E received a job as a direct result of services received from DVOP, LVER, or other DOL-funded staff? I know there are a lot of acronyms in there.

Mr. CHARLIP. Yes, sir, we do have the ability to track that information.

Mr. COSTELLO. Okay. Next question. Mr. Kammerer, why do you think veterans discontinue from using VR&E services as reflected in the longitudinal study, and what are you doing to increase program retention rates?

Mr. KAMMERER. Thank you, sir. That is a great question.

I think I would need to get you a detailed answer for the record based on the longitudinal study. And I would point out also, Mr. Chairman, Mr. Ranking Member, the longitudinal study is going through the concurrence process and is headed up here for submission this year for our fifth year.

To answer your question about discontinuations based on a longitudinal study, I think that there is a variety of factors, in general. You know, again, the veteran, in some cases, chooses to discontinue based on his or her personal circumstances. Many—and we talked about—or you talked about in previous testimony the point was made about the 90 percent of veterans that were moderately- to highly-satisfied that we found this year, that includes the veterans that discontinued this year.

Last year it was 90 percent, nearly 90 percent, not including the veterans that discontinued. So we saw in the longitudinal study this year a pretty high satisfaction rate. I think it was approaching 70 percent for those veterans that discontinued. So it appears, at least in initial analysis, that veterans have healthy relationships with their counselors that are getting services. I think, number one, is a choice, some of them discontinue; number two, it could be possible that some of those veterans decided to not continue with the rehabilitation plan and just seek employment or gain employment on their own. But I will get you detailed answer for the record or more detailed answers on that.

Mr. COSTELLO. Thank you.

Back to Mr. Charlip. Following up on my first question, how have you been able to track how many participants that were referred to DOL by VR&E received a job offer as a direct result of their services?

Mr. CHARLIP. Under the memorandum of agreement that has existed, there is a procedure for doing that, and a form and tool that is used to track those referrals. And so we have that information. That is then validated by VR&E and VETS on a recurring basis.

Mr. COSTELLO. And what are the trend lines showing?

Mr. CHARLIP. I don't know that, and I will get you an answer.

Mr. COSTELLO. Okay. Thank you.

No further questions.

Dr. WENSTRUP. Ms. Rice, you are recognized for 5 minutes.

Ms. RICE. Thank you, Mr. Chairman.

I am going to ask a slightly proprietary question just because it has to do with some schools in my district. But I want to also, like Mr. Takano, ask about the VetSuccess on Campus program. So you may or may not be aware that Nassau Community College, which is in my home district, is in the running to get a VSOC assigned to its campus. And in order to qualify, they have agreed to partnership with Adelphi University, which is also in my district, and Suffolk Community College, which is just outside of my district, to help their chances of getting a VSOC.

So my question is, I am not going to put you on the spot and say, when do you plan on deciding who gets the VSOCs, because that would be far too self-serving. But what I am getting at is, I understand you say you have 79 VSOCs at 94 locations. Until that number is we have X number at every single location, every school so that every single vet who is attending school can be approached and hopefully get information about the VR&E program or any other service that is available to them. I guess my question is how many other colleges are trying to get a VSOC right now at this moment, and do you have plans to expand this program in the future?

Mr. KAMMERER. That is a great question. I would take, for the record, the number of schools that have actually requested a VSOC, ma'am. We have that available. We have done detailed analysis, and we certainly maintain a list of schools that we would like to serve with VSOC counselors, certainly with resources permitting, and we do that analysis all the time. It is complete. It is ongoing analysis. And you have a great point. You know, there are many thousands of schools that are supported by the GI Bill, and there are many, many thousands of veterans that are attending college on those campuses, and we are only serving at this point the 94 schools.

So we have also looked at a number of things. I was in a meeting yesterday. We are looking at how would we provide VSOC support online, because, as you know, ma'am, there are many veterans and many servicemembers take advantage of educational opportunities online. So it is an obvious question, how much you provide support to veterans that are attending school online.

We have done a pilot at the University of Iowa to develop some exportable content that we might be able to provide some instruction to schools to use it to better serve and help veterans particularly on the employment side. So it is certainly something my boss, Deputy Under Secretary Coy has a very—as you know, a very dedicated interest to serving veterans on campus, and we strongly look at opportunities for the VSOC program. And we do—and we will get you the detailed list of schools that have asked for VSOCers. But the bottom line is we look at a number of criteria, including one of the things we like to do is serve as many veterans as possible, ma'am. But the partnering that you mentioned is so important in that, and we have a number of schools where we do partner, where a VSOC counselor will serve multiple schools to serve as many veterans as possible. And that model, ma'am, works pretty

well, although it certainly does put a challenge on the counselor serving multiple locations, but I think we try to manage that geographically.

Ms. RICE. It wouldn't be an ideal situation to have one counselor for three schools that are not always geographically friendly, but at least that is a start. And to me, over and over we hear a recurring issue regarding outreach to veterans. How—where can we find them? How do we communicate with them, whether it is online, through the mail whatever it is. It seems to me that the number of veterans we know—we can capture the number of veterans who are actually using the GI Bill, right? That is a number we have the ability to get. It is like—I don't know if this is a wrong phrase, but it is like shooting fish in a barrel. We know where they are, so why aren't we putting a counselor there to make it easier to do that outreach? So that is that.

One other question for you. Many of our veterans, and we hear over and over again, they face invisible barriers to employment. So my question is, how do you train VR&E counselors to work with vulnerable veterans who are suffering from a mental health issue, so it is not a lost limb or something that overt, and who may have been discharged with an other-than-honorable designation?

Mr. KAMMERER. Let me answer your first question first, ma'am. As I mentioned in my opening statement, and you will see the longitudinal study shortly, there is very detailed data in the longitudinal study that indicates for the 2010, 2012, and 2014 cohorts on or about 25 percent of the veterans that were studied in those 3 years, those 3 cohort years, had PTSD. And certainly, PTSD is not the only mental health challenge that we are talking about here. It is very, very important to us to make sure that our counselors are trained and aware and our other employees are aware of these challenges for veterans. We deployed training last year to all the VR&E staff that we worked with the—we partner, and the question was asked earlier with VHA. We partner with VHA, particularly with the mental health side. We are partnering right now with Dr. Stacey Pollack, who is one of the national PTSD experts, and it is very, very critical to us to continue to support our veterans along those aspects as you talked about.

So the longitudinal study indicates the criticality of what you mentioned, ma'am. We are partnering with VHA on the mental health side. We have fielded additional training, and it is very, very important. The question of who we serve with less than honorable, certainly, you know—another thing I should have mentioned too, it wasn't really your question, but we also work with VHA on the homeless side, because some of the homeless veterans could, in fact, as you well know, ma'am, be eligible for VR&E services. So—

Ms. RICE. One of my other questions, I know I am out of time, but I wanted to see what you were doing. What are counselors doing to help veterans find—find and retain housing, which is this—they are equally problematic, the joblessness and the homelessness, obviously. But I think my time is up.

Thank you, Mr. Chairman—

So can you answer that about, we talk a lot about employment, but what are you doing in terms of helping veterans obtain and retain housing?

Mr. KAMMERER. On the housing side, that is really the purview of VHA and the homeless program. As you mentioned, ma'am, I think—and my boss reminds me all the time, that the E in VR&E is for employment. So I think that our piece to that is we are working on the—with the homeless team in terms of identifying those veterans, that those homeless veterans, that they are working with, to achieve the housing side of it, and then if they are potentially eligible and entitled for VR&E services, that we would work with them with a counselor and then work with them on the employment side.

So I think the employment part for us is the critical part, but I think the key thing to your question is that we do closely partner with VHA on the homeless team. And most of that—or a lot of that happens at the local level as well in terms of that partnership, you know, in your district or where there are VHA facilities that have the operational homeless teams identifying the potential clients that they could refer to VR&E as they are assisting them in their needs, we would assist them.

Again, many of them would be eligible and entitled for VR&E, as you pointed out, and we would want to connect with them. And as you know, ma'am, in some cases, connecting with them could be a challenge, but we work with VHA to make sure we do that.

Ms. RICE. Well, if there is any obstacle to that communication that really should happen between the two agencies responsible for these two issues, I would hope that you would bring that to our attention if there is something that we could do. Because there is no reason to silo those two issues, homelessness and joblessness.

Mr. KAMMERER. Lisa Pape, the director of the VHA homeless program came and talked to our VR&E officers last year, and we partner with her closely and the teams. But, again, as I mentioned, as you pointed out, the interactions are local, and we have to make sure that—and we are working to make sure that our counselors at the local level and officers at the local level are partnering through VBA and VHA to make sure we make those connections with the potential veterans that could benefit from our services. Because, as you pointed out, housing is a piece of that, but employment is a critical task.

Ms. RICE. Thank you.

Thank you, Mr. Chairman.

Dr. WENSTRUP. A couple of things before we wrap up.

Mr. Charlip, I am not sure you have it right, and I may be wrong, but I don't think that you are able to track if the employment that the veteran has is a direct result of the work from your agency. You may be able to track that they have employment, but whether it was a direct result of the work of your agency or something they did on their own you are not able to track. And that we may want to clarify, and those would be numbers that we would, I think, it is important for us to know as we move forward.

Mr. Kammerer, going back to the counselors. You know, our goal there is to increase productivity and possibly do it as a lesser cost. So there may be certain standards that exist, but we need to evalu-

ate what our standards need to be as far as staffing for each of the counselors.

For example, in our medical practice, I didn't call every one of my post-op patients, but my medical assistant did. And if I needed to intervene, then I got involved. But we used staff to make sure that they were doing okay, and everything was going fine. So those are the types of things that I think we need to look at, because we can have extenders to our counselors, and maybe possibly don't need more counselors, but more extenders for them. And one of the things that we discussed, as we go down the road, and you and I talked about it offline, is what we are doing with IDES, the locations, do we need a full-time person at each location? Can they be part time? Situations like that that we can evaluate and hopefully be more efficient and make sure that we are getting the job done.

But with that, I want to thank you both for your testimony and for answering our questions. You are now excused.

And I thank everyone for your attendance today and the frank and valuable discussion on how to improve the important programs. As I said earlier, this program should be the crown jewel of benefits within the Department. And while great strides have been made by Mr. Kammerer, your staff, and others, progress still needs to be made to give the proper services to our most severely wounded veterans. I look forward to continuing to work with everyone here today and others to ensure that we reach our goals. Our veterans deserve nothing less.

Finally, I ask unanimous consent that all members have 5 legislative days to revise and extend the remarks and include any extraneous material in the record of today's hearing. Hearing no objection, so ordered. If there is nothing further, this hearing is adjourned.

[Whereupon, at 11:50 a.m., the subcommittee was adjourned.]

APPENDIX



National Service & Legislative Headquarters
 807 Maine Avenue, S.W.
 Washington, D.C. 20024-2410
 Phone (202) 554-3501
 Fax (202) 554-3581
 www.dav.org

**STATEMENT OF
 PAUL R. VARELA
 DAV ASSISTANT NATIONAL LEGISLATIVE DIRECTOR
 COMMITTEE ON VETERANS' AFFAIRS
 SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
 UNITED STATES HOUSE OF REPRESENTATIVES
 JULY 8, 2015**

Mr. Chairman and Members of the Subcommittee:

Thank you for inviting DAV (Disabled American Veterans) to testify at this important hearing of the Subcommittee on Economic Opportunity, to review Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) Services.

As you know, DAV is a non-profit veterans service organization (VSO) comprised of 1.2 million wartime wounded, injured and ill veterans, dedicated to a single purpose: empowering veterans to lead high-quality lives with respect and dignity. As the nation's largest VSO comprised entirely of wartime disabled veterans, DAV is leading the way in providing free assistance to veterans and their families in filing claims for benefits, as well as representing them in appeals of unfavorable decisions on their claims.

In 100 offices located throughout the nation, DAV employs a corps of about 270 National Service Officers (NSOs) and more than 34 Transition Service Officers (TSO) who counsel and represent active duty personnel, veterans, their dependents and survivors with their claims for benefits provided by the VA, the Department of Defense (DOD) and other government agencies. In 2014, DAV staff represented 340,000 individuals.

DAV's core mission is carried out through our National Service Program. Our Chapter Service Officers, Department Service Officers, Transition Service Officers and National Service Officers have never wavered in their commitment to serve our nation's wounded, injured and ill veterans, their families and survivors, or any veteran for that matter. In all, DAV has 3,815 service officers, including County Veteran Service Officers accredited by DAV, all of whom are on the front lines, providing much needed claims services to our nation's veterans, their families and survivors. No one has more impact on our organization's ability to meet our primary mission. No one has more impact on our organization's stellar reputation. No one has more impact on empowering disabled veterans to become productive members of society again. And I believe no one has a tougher task than those DAV service officers assisting veterans and their families and survivors in their claims for benefits from the government that at times seems both a reluctant and entrenched bureaucracy.

Each DAV NSO brings his or her military experience, as well as personal experience navigating the VA health care and claims processing systems. All DAV NSOs have themselves participated and successfully completed a VR&E rehabilitation plan as part of our DAV 16-month on-the-job training (OJT) program. Due to our backgrounds and training, DAV NSOs not only possess a significant knowledge base, but also a passion for helping our fellow veterans navigate the labyrinth of the VA system and its benefit programs.

In addition to assisting veterans and their dependents to file claims for disability compensation, our NSOs regularly advise veterans on the opportunities and benefits offered by VA's VR&E program. As part of our lifelong continuing education program, DAV NSOs are trained on all VR&E programs, and we regularly refer and encourage our client veterans to consider VR&E programs when appropriate.

Mr. Chairman, DAV is a staunch proponent of the VR&E program, because it embodies DAV's central purpose of empowering veterans to lead high-quality lives with respect and dignity.

Program Overview

Congress appropriates funds to VA so it can provide assistance to veterans seeking employment through VR&E. This program assists veterans with service-connected disabilities in preparing for, finding and keeping jobs suitable to their skill sets and within any limitations imposed on them due to wounds, injuries and illnesses sustained as the result of their military experience. For veterans with severe service-connected disabilities that impact their ability to work, other services are available to help them live as independently as possible.

Veterans are eligible for VR&E services and programs if they have an other-than dishonorable discharge as well as a service-connected disability rating of at least 10 percent, or a memorandum rating of 20 percent or more from the VA. The VR&E program is also accessible to active duty military personnel expecting to be medically discharged with the requisite discharge and anticipated disability rating of at least 20 percent or more from the DoD and VA. Those who meet the criteria and apply for the program receive a comprehensive evaluation that determines their employment interests, skills and abilities. Once the evaluation is completed, vocational counseling and rehabilitation planning toward employment service assistance is provided before separation.

VR&E employment services include job training, development of job-seeking skills, resume development, and other types of work readiness assistance. Program participants may be given the opportunity to enhance existing skill sets through on-the-job-training, apprenticeships, and non-paid work experiences, as well as post-secondary training at the college, vocational, technical or business school levels. During this process, participants may also receive supportive rehabilitation services such as case management, counseling, and even medical referrals.

Veterans with severe disabilities who are unable to work may qualify for an independent living program that enables eligible veterans to lead more independent lives. These veterans may be provided assistive technology to help them adapt to their new circumstances, and specialized

medical, or rehabilitation services, assistance in addressing personal or family adjustment, and be referred to support services within their communities.

The basic period of eligibility for VR&E services cannot currently exceed 12 years from either the date of separation from active duty, or the date veterans are notified by the VA of a service-connected disability rating, nor can the participants exceed 48 months of entitlement. This 12-year eligibility period can only be extended if a Vocational Rehabilitation Counselor (VRC) determines that a veteran has a serious employment handicap. T and the basic 48-month period of eligibility can also be extended in unique circumstances.

VR&E services are delivered through one of five employment tracks. Veterans choose one of the five tracks to reach their employment goals: Re-employment; Rapid Access to Employment; Self-Employment; Employment through Long-Term Services; or Independent Living Services.

The Re-employment Track helps veterans and members of the National Guard and Reserve components return to jobs held prior to active duty. Veterans, National Guard, and Reserve members may be provided with job accommodations, job modification, case management, coordination, and linkages to services with VA health care, re-employment rights advice, work adjustment services, and consultations with employers.

The Rapid Access to Employment Track emphasizes the goal of immediate employment and is available to those who already possess the skills to compete in the job market in appropriate occupations. Among other options, veterans may be provided job readiness preparation, résumé' development, job search assistance, and accommodation due to physical limitation.

The Self-Employment Track is for veterans who have limited access to traditional employment and need flexible work schedules and a more accommodating work environment because of their disabling conditions or other special circumstances. Veterans may be provided an analysis of the viability of a business concept, development of a business plan, training in the operation of small businesses, marketing and financial assistance, and guidance on obtaining adequate resources to implement the business plan.

In the Employment through Long-Term Services Track, VR&E assists veterans who need specialized training or education to obtain and maintain suitable employment. Training or education (or both) may be provided, including on-the-job training, apprenticeship, internship, job shadowing, work monitoring, work-study, public-private job partnering, or higher education sufficient to obtain suitable entry-level employment.

Finally, the Independent Living (IL) Services Track is available. Within this track, veterans who may not be able to work immediately and need additional rehabilitation to enable them to live more independently may qualify for VR&E services through independent living. Veterans are provided with assistive technology, independent living skills training, and connections to community-based support services.

The IL program is designed to help veterans whose service-connected disability or disabilities may be so severe that they are unable to immediately pursue an employment goal. It helps them to be able to live independently, participate in family and community life, and increase their potential to return to work. The IL program was established under Public Law 96-466, the Veterans Rehabilitation and Education Amendments of 1980, with an annual cap of 500 new cases per fiscal year.

In the intervening years, the number of cases grew as the program's success in helping severely disabled veterans gain greater independence in daily living was recognized. The cap was increased by Public Law 107-103, the Veterans Education and Benefits Expansion Act of 2001, to 2,500 new cases per fiscal year.

In FY 2016, VR&E anticipates 137,421 program participants to apply for these benefits as regular military personnel, guardsmen, and reservists return from the current conflicts overseas and transition to veteran status. The number of program participants has continued to increase since FY 2013 when the workload was estimated at 112,659. Additional funding to support this growth is essential; The President has not requested any additional full-time employee equivalents (FTEE). Additional FTE within the VR&E program is essential to providing these critical services.

An accurate determination of the effectiveness of the VR&E program is an essential element in decisions regarding delivery of services, staff size, level of expertise, ongoing staff training requirements, optimum service delivery mechanisms to address the needs of program participants, the accuracy of reporting outcomes and other areas for improvement. In an effort to capture relevant program information, Congress mandated a 20-year longitudinal study with the passage of section 334 of the Veterans' Benefits Improvement Act of 2008, Public Law 110-389. VA is required to conduct a longitudinal study of its VR&E programs, tracking individuals over a 20-year period who began participating in VR&E programs during fiscal years 2010, 2012, and 2014.

Annual reports from this longitudinal study are due to the Committees on Veterans' Affairs of the Senate and House of Representatives on July 1 of each year. In July of 2015, the report from VBA will contain information on the 2010, 2012 and 2014 cohorts. The focus of the study is to assess the long-term outcomes of the individuals participating in the vocational rehabilitation programs. DAV looks forward to the information that will be disclosed by these reports to enhance understanding of the program's needs, challenges, and successes.

Delivery of VR&E services is further enhanced with the placement of VR&E counselors at 71 military installations nationwide in support of Integrated Disability Evaluation System (IDES) operations. IDES provides DOD and VA seamless, transparent administration by both departments, using one disability rating system for medically separating service members. This streamlines the medical separation process for the military personnel transitioning from DOD to VA.

IDES features a single set of disability medical examinations to determine both fitness and disability, and a single set of disability ratings provided by VA. When a military member's

medical conditions cause them to be put on a medical profile that makes them no longer deployable and curtails their ability to effectively carry out the duties of their rank and military specialty, they will be evaluated by a Medical Evaluation Board (MEB). If the MEB determines that the member has a medical condition which is incompatible with continued military service, they are referred to IDES. An Informal Physical Evaluation Board (IPEB) determines if the military member is fit for continued duty.

Currently, when a military service member is found to be “unfit” for duty, he or she will be moved to IDES. These service members meet with VR&E VRCs, who assist in developing vocational goals as part of a vocational rehabilitation plan to make a successful transition from the military into the civilian workforce. These services constitute a comprehensive rehabilitation evaluation to determine abilities, skills, and interests for employment purposes and identify support services to maintain employment or gain meaningful employment.

By physically placing VRCs at IDES locations, benefits delivery timeliness may be improved, and early intervention helps combat homelessness as well as poverty caused by underemployment.

While we are pleased with the progress of the IDES program to date and VR&E’s plans to expand delivery of services, we are concerned about another aspect of the program: service members participating in IDES do not have ready access to representation by a veterans service organization. As a result, most separating military members rely instead on the advisory services of military counsel.

VR&E Resources

In accordance with DAV Resolution No. 052, as adopted at our most recent national convention, we call on Congress to strengthen VA’s VR&E program to meet the demands of service-disabled veterans by providing increased staffing and funding. This legislation is also supported by the *Independent Budget* (IB).

Congress must ensure that VR&E has adequate resources to meet demand. The IB recommended that VR&E be allocated resources for an additional 382 new FTEE at a cost of roughly \$41.8 million to establish a maximum client-to-counselor minimum of 125:1, or better. Of the additional 382 FTEE, 277 would be dedicated as VRCs and the remaining 105 employees would provide support services, bringing the VR&E total FTEE strength to 1,824.

An extension for the delivery of VR&E assistance at a key transition point for veterans is the VetSuccess on Campus (VSOC) program present on 94 college campuses. As mentioned earlier, additional VR&E services are provided at 71 military installations for active duty service members undergoing medical separations through the Department of Defense and VA’s joint Integrated Disability Evaluation System (IDES).

These additional functions of VR&E personnel are undoubtedly beneficial; however, staffing levels throughout VR&E services must be commensurate with current and future demands. VR&E last received an FTEE increase in FY 2014 when the participant caseload was

at 123,383. When considering the FY 2016 participant estimate of 137,421, this represents close to a 10% increase in program participation, yet FTEE remained the same in FY 2015 and is poised to remain flat in FY 2016 based on the Administration's budget request.

At present VRCs are managing an active client caseload that averages out to a counselor-to-client ratio of roughly 1:135. Ideally, a reasonable counselor-to-client ratio would consist of one VR&E counselor for every 125 veterans as has been advocated by the IB for the past several years. However, the average can be somewhat misleading as there are higher and lower averages throughout VAROs.

A January 2014 GAO study examined the VR&E program and found the Cleveland VARO counselor to client ratio was 1:206 cases; in the Fargo VARO, the counselor-to-client ratio was 1:64. While increased staffing levels are required to provide efficient and timely services to veterans utilizing VR&E services, it is also essential that these increases be properly distributed throughout all of VR&E to ensure that VR&E counselors' caseloads are equitably balanced among VAROs.

Additionally, VR&E must also explore new methodologies to formulate a proper client-to-counselor ratio based on the challenges associated with more severely disabled veterans.

Eliminate the 12-Year Delimiting Period

In accordance with DAV Resolution No. 048, as adopted at our most recent national convention, we support legislation that would eliminate the 12-year limitation provided to veterans to apply for VA vocational rehabilitation. We believe leaving a veteran's period of entitlement open ended would be a better policy. Legislation to effect this change is supported by the IB.

Despite efforts to keep veterans informed of their benefits, not all disabled veterans are aware of their possible entitlements to VR&E programs at the time they are awarded service connection for disabilities until life's circumstances otherwise intervene. Many veterans do not necessarily see themselves as needing VR&E services until later in life, which might well occur after the current 12-year rule excludes them from a potentially life-changing benefit.

Since VA puts no time limit on a veteran making a claim for disability, we assert that there should be no time limit for access to VR&E benefits. Open-ended eligibility could also help reduce the claims workload as applicants would not need to submit new claims or reopen old ones in hopes of being granted a new service connection that would once again make them eligible for VR&E benefits.

Employment Placement Follow-Up

In accordance with DAV Resolution No. 052, as adopted at our most recent national convention, we support legislation to strengthen VA's VR&E program to meet the demands of service-disabled veterans by providing placement follow-up with employers for at least six months. Similar legislation is also supported by the IB.

We also contend the current 60 days of employment as the accepted standard for a veteran to be considered fully employed is insufficient. Typically, new employers require much longer periods of probationary employment than 60 days. In the federal sector, the probationary employment period is generally one year. DAV recommends VR&E provide placement follow-up with employers for at least six months.

VR&E focuses on providing individualized services to veterans with service-connected disabilities in an effort to assist them in achieving functional independence in daily activities, becoming employable, and obtaining and maintaining suitable and meaningful employment. Historically, however, VR&E has focused more on the vocational rehabilitation aspect and less on employment. For example, VR&E only conducts a 60-day follow-up on individuals recently employed as a measure to determine if they are “fully rehabilitated.” Also of concern is the fact that if a veteran discontinues the use of VR&E services, regardless of the reason, VR&E reports the case as a successful and “full rehabilitation.”

VA also needs to continue improving its coordination with non-VA vocational programs to ensure that veterans are receiving the full array of benefits and services to which they are entitled in a timely and effective manner. Under the VA Strategic Plan for FY 2006-2011, the VA acknowledged that it planned to continue the utilization of non-VA providers to supplement and complement services provided by VR&E staff.

Many state vocational rehabilitation agencies have memoranda of understanding with their state departments of veterans’ services to coordinate services for veterans with disabilities, and some state agencies have identified counselors with military backgrounds to serve as liaisons with VA and veterans groups. Moreover, VA has increased engagement with state vocational rehabilitation agencies in outreach to the business community to promote veterans with disabilities as a valuable talent pool. In addition, numerous non-profit vocational rehabilitation providers have served veterans with disabilities for many years in partnership with VA.

These partnerships, however, create challenges that VA needs to address. Whereas qualified providers can partner easily with most state vocational rehabilitation agencies, VA’s national acquisition strategy is viewed as overly cumbersome by private providers seeking to contract with VR&E. As a result, private non-VA providers that could address some of the demand from disabled veterans for employment assistance are shut out by complicated contracting rules.

Child Care Vouchers

In accordance with DAV Resolution No. 052, as adopted at our most recent national convention, we support legislation to strengthen VA’s VR&E program to meet the demands of service-disabled veterans. Similar legislation is also supported by the IB.

Veterans with dependents are the second largest group that seeks VR&E for assistance. They also tend to use VR&E’s employment services track more than disabled veterans without dependents. While pursuing vocational rehabilitation may be a goal, the need for immediate

employment to meet the demands of life's financial obligations in cases where VA's assistance is inadequate.

For example, those veterans who do not qualify for the Post-9/11 GI Bill cannot use its more generous housing stipend versus the vocational rehabilitation's living stipend. For veterans who have families and are participating in a VR&E program, we recommend child care vouchers, or stipends, so long-term education or vocational rehabilitation will no longer be out of reach. We also recommend that Congress provide a monthly stipend for those participating in the employment track of VR&E programs.

Independent Living Participation

In accordance with DAV Resolution No. 052, as adopted at our most recent national convention, we support legislation to strengthen VA's VR&E program to meet the demands of service-disabled veterans. This legislation is also supported by the IB.

The IL program, as noted earlier, allows eligible veterans to live independently by providing assistive technology to help them adapt to their circumstances, with specialized health, or rehabilitation services, assistance in addressing personal or family adjustment issues, and for supportive services.

Unfortunately, participation in this program is capped, and program participation cannot exceed 30 months. The current cap is at 2,700 individuals as a result of Public Law 111-275, the Veterans Benefits Act of 2010. As participants approach the 2,700 level each year, VR&E must consequently slow delivery of services until the next fiscal year begins.

We believe Congress should remove the cap on the Independent Living. All rehabilitation options, including independent living, must be available for veterans who require such services. VR&E management must provide adequate oversight of the ILP specific Training Performance Support System deployed in FY 2013, to ensure VRCs understand the eligibility requirements and benefits that can be achieved through appropriate use of this program. VR&E must receive the appropriate resources and technologies to collect relevant information for the ILP, including but not limited to the number of disabled veterans applying for the ILP and the goods and services provided to veterans participating in the program.

Veterans Economic Opportunity and Transition Administration

At our most recent National Convention, held in Las Vegas, Nevada, in August 2014, DAV members passed Resolution No. 227. Not only does Resolution No. 227 call for a new Veterans Economic Opportunity Administration, but also it calls for the transfer of the DOL Veterans Employment and Training Service (VETS) to the VA as a key element of this new administration.

We were pleased that H.R. 2275, the Jobs for Veterans Act of 2015, has been introduced in this Congress. DAV strongly supports this legislation.

Mr. Chairman, DAV previously offered testimony before this Subcommittee on February 12, 2015, and on June 2, 2015, supporting this issue. H.R. 2275 would create a fourth administration within VA. Under the bill, certain DOL programs would be transferred to VA not later than October 1, 2016. All personnel, assets, and liabilities pertaining to these programs would be transferred by that date.

This transfer to the VA would include administration of all functions and programs now performed by the DOL under title 38, United States Code. On enactment, VA would administer the homeless veterans' reintegration programs under title 38, United States Code, chapter 20; employment and employment rights of members of the uniformed services under chapter 43; employment and training of veterans under chapter 42; and, job counseling, training, and placement services for veterans under chapter 41. The bill would establish a new Under Secretary position and two Deputy Under Secretaries with various responsibilities.

The creation of a new VA administration that would manage all these programs is a logical, responsible step for Congress to take through this legislative mandate. Plus, important to DAV, we believe consolidation would offer the potential to streamline and enhance the prospects and training possibilities for wounded, injured and ill wartime veterans, for them to overcome employment obstacles, and would open up opportunity for them in their post-service lives. It could also both reduce current costs while revealing the availability of new or alternative services and programs to those receiving employment and educational assistance, in a unified program.

Ensuring that our nation's wounded, injured and ill wartime veterans and their families receive opportunities for meaningful and gainful employment is a central concern of our organization; in the wake of war, DAV believes that we reflect the concerns of the entire nation. Veterans who truly sacrifice themselves in war need a hand up, not a handout. Reforming this important function of government that leads them to rewarding private employment would provide them that hand.

DAV is pleased that on June 25, 2015, H.R. 2275 was forwarded to the Full Committee by the Subcommittee. It is encouraging that Congress is taking the necessary steps to move this legislation forward in hopes of it being enacted in law in the 114th Congress. H.R. 2275 has the potential to improve the post-service prospects of our nation's wounded, ill and injured veterans and their families by streamlining and centralizing veteran-centric employment and education programs within a new fourth administration.

Mr. Chairman, this concludes my testimony and I am prepared to answer questions related to this statement.

**STATEMENT OF
HEATHER ANSLEY
ASSOCIATE GENERAL COUNSEL FOR CORPORATE AND GOVERNMENT RELATIONS
PARALYZED VETERANS OF AMERICA
BEFORE THE
HOUSE COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
CONCERNING
A REVIEW OF VA's VOCATIONAL REHABILITATION AND EMPLOYMENT PROGRAM**

JULY 8, 2015

Chairman Wenstrup, Ranking Member Takano, and members of the Subcommittee, Paralyzed Veterans of America (PVA), thanks you for the opportunity to testify for this oversight hearing regarding the Department of Veterans Affairs' (VA) Vocational Rehabilitation and Employment (VR&E) program. This program is an integral part of the assistance provided to veterans who have acquired a disability as a result of their commitment to serve their nation.

PVA is an organization of veterans who are catastrophically disabled by a spinal cord injury or disease. Many of our members have participated in VA's VR&E program as they struggled to rebuild their lives after sustaining a life-altering disability. The VR&E program is authorized under Chapter 31 of Title 38 of the United States Code to provide comprehensive services to address the employment barriers of service-connected disabled veterans in an effort to obtain and maintain gainful employment, while achieving maximum independence in daily living. VR&E also provides independent living services to help veterans with significant disabilities achieve the highest quality of life possible, including future employment when possible. In fiscal year 2013, 135,815

veterans participated in VA's VR&E program, the overwhelming majority of whom served during the Gulf War Era.¹

In July, our nation will celebrate the 25th anniversary of the Americans with Disabilities Act, which provides equality of opportunity and access for Americans with disabilities. While we have many successes on which to reflect, we are fully aware that more work must be done. Despite all of our advances, veterans and all people with disabilities are underrepresented in our nation's workforce. For example, 37 percent of Gulf War era veterans with service-connected disability ratings of 60 percent or higher are not in the labor force.²

Veterans with catastrophic disabilities have difficulties when continuing in their occupational fields or seeking initial employment. There are barriers to employment that inhibit a smooth transition to the workplace when veterans with disabilities search for employment. These employment barriers could be the false perceptions of the potential costs to employers of hiring people with disabilities, including workplace accommodations, and the negative perceptions many people have about veterans' reliability or emotional problems.

Recognizing these barriers hinder the ability of PVA members to participate in the workforce, in 2007, PVA launched Operation PAVE (Paving Access for Veterans Employment). Operation PAVE is a vocational rehabilitation program that assists PVA members and other veterans with disabilities in obtaining and retaining employment. Today, Operation PAVE has seven regional offices: Boston, Massachusetts; Chicago, Illinois; Long Beach, California; Minneapolis, Minnesota; Richmond, Virginia; San Antonio, Texas; and Tampa, Florida.

Operation PAVE provides veterans and their families and caregivers with one-on-one career counseling and assistance. These services are available to all veterans with disabilities, including those who have non-service-connected disabilities. All services, from résumé assistance, interview preparation, vocational counseling, and employer networking are provided at no charge—and are available to dependents as well. Each office is staffed by an experienced, graduate level certified, vocational counselor. Although these counselors are working with some of the most difficult to place clients, including those who are paraplegics and quadriplegics, they have a high rate of success in helping veterans return to work.

COUNSELOR-TO-VETERAN RATIO

Operation PAVE seeks to keep its counselor workload at a maximum of 125 veterans per counselor or less. This ratio of 1:125 is recognized as a full workload in the field of

¹ Department of Veterans Affairs, Veterans Benefits Administration Annual Benefits Report for Fiscal Year 2013, <http://www.benefits.va.gov/REPORTS/abr/ABR-VocRehab-FY13-09262014.pdf>.

² News Release, U.S. Bureau of Labor Statistics, Employment Situation of Veterans – 2014 (Mar. 18, 2015) <http://www.bls.gov/news.release/vet.nr0.htm>.

vocational rehabilitation counseling. When counselors are required to work with more than 125 clients, the employment counseling process is delayed. This is particularly true when counselors are working with veterans who have significant disabilities and increased barriers to employment. For example, PAVE counselors have reported that veterans express frustration with how difficult it can be to connect with VR&E counselors, as calls and emails sometimes go unanswered.

In January 2014, the Government Accountability Office issued a report calling on VA's VR&E program to implement performance and workload management improvements. At that time, caseloads for VR&E counselors ranged up to 1:139.³ *The Independent Budget* (IB), co-authored by AMVETS, Disabled American Veterans, PVA, and the Veterans of Foreign Wars, has continually highlighted the shortage of counselors. The IB for the 114th Congress requests sufficient resources for the VR&E program to establish a maximum counselor-to-veteran ratio of 1:125 or smaller.

The IB projects that approximately 165,000 veterans will participate in the VR&E program in fiscal year 2016. To achieve a maximum ratio of 1:125, VR&E would need an additional 382 full-time equivalent employees (FTEEs), which would bring VR&E's total FTEEs to 1,824. The increase in staff would provide 277 new VR&E counselors and 105 new employees providing support services. These additions would require an increase in appropriations of \$41.8 million. It should be noted that VA did not request additional staffing for fiscal year 2015, despite increased demand for services.

VA's VR&E program is critical to veterans with catastrophic disabilities as they seek to rejoin the workforce and return to their homes and communities. Congress must invest in this program to ensure that counselors have the tools and resources needed to return veterans with disabilities to work. Veterans with significant disabilities, who with proper supports and services can return to the workforce, are in danger of falling out of the workforce and moving onto Social Security Disability Insurance and VA's Individual Unemployability benefit. While these benefits are necessary for many veterans with disabilities, it is unacceptable for veterans to fall through the cracks because our nation refuses to continue investing in their futures.

Providing VA with additional resources to decrease the counselor-to-veteran ratio is a step in the right direction. VA must also, however, reduce bureaucratic hurdles that delay veterans in moving through the vocational rehabilitation process. For example, Operation PAVE counselors have noted that they are able to more quickly begin providing résumé assistance, interview preparation, and vocational counseling because there are fewer procedural hurdles to clear for eligibility. We urge VA to continue to build efficiencies into the system that will eliminate wait times and assist counselors in managing their time and caseloads as efficiently as possible.

³ Government Accountability Office, "VA Vocational Rehabilitation and Employment: Future Performance and Workload Management Improvements Are Needed," GAO-14-61, January 2014.

VR&E MUST INCREASE COLLABORATION WITH PUBLIC AND PRIVATE PARTNERS

High caseloads hinder VA's VR&E counselors from being able to provide more intensive services, including providing more individualized training for veterans with significant barriers to employment. If current resource levels are maintained, one way to reduce the load for VR&E counselors and employment specialists is to increase partnerships with community organizations that provide specialty placement services. This is particularly important in the case of veterans who have unique needs related to their disabilities and life circumstances.

PVA's Operation PAVE counselors have reported developing relationships with VR&E counselors. It appears that these relationships have varying degrees of collaboration. One PAVE counselor reported receiving referrals of veterans with significant disabilities who need one on one help in returning to work. Without these referrals, the counselor reported that it may be difficult for overloaded VR&E staff to dedicate the time and resources necessary to ensure success for these veterans.

Without these types of partnerships, seriously disabled veterans would likely receive minimal consideration, or be designated as unemployable. Severely disabled veterans require the commitment and specialized attention that a VA counselor is trained to provide but cannot afford to present. By referring these veterans to PVA's counselor the veteran receives the specialized attention necessary, which more frequently leads to placement in suitable employment, and the VA is able to also take credit for facilitating the veteran's successful placement. This relationship works well for all parties and most importantly results in employment success for these veterans.

Unfortunately, some of our Operation PAVE counselors report receiving few referrals from VA's VR&E program. PVA is pleased that VA's VR&E Director has recently committed to working to increase collaboration between VR&E offices served by PVA's PAVE program. Fostering new partnerships to serve veterans, particularly those with significant disabilities, is critical to stretching resources within VA to serve as many veterans as possible. These partnerships are also critical in serving veterans who are not eligible for VA's services and their caregivers and family members.

In addition to private partners, VA's VR&E program must connect with other government agencies that play a role in helping veterans with disabilities return to the workforce. For example, the Department of Labor's Veterans' Employment and Training Service (VETS) administers programs that play a key role in assisting veterans with disabilities in obtaining employment. We urge continued collaboration between VR&E and VETS, including completion of a revision of the Technical Assistance Guide: "A Team Approach for Providing Employment Services to Veterans with Disabilities."⁴ Published

⁴ U.S. Department of Labor, Veterans' Employment and Training Service & U.S. Department of Veterans Affairs, Vocational Rehabilitation and Employment Service, Technical Assistance Guide: A Team Approach for Providing Employment Services to Veterans with Disabilities (December 2008), <http://www.dol.gov/vets/VMS/VPLs/VPL-01-09-Attch-3.pdf>.

in 2008, this guide provides detailed information regarding how these programs can work together to assist a veteran with disabilities in returning to the workplace.

We commend VR&E's active participation with the Administration's Curb Cuts to the Middle Class Initiative. This interagency collaboration seeks to increase employment opportunities for all people with disabilities. Coordinating with other federal agencies who have expertise in working on issues that impact people with disabilities, including disabled veterans, is important to ensuring that VR&E's policies and procedures reflect agency best practices.

Under current fiscal constraints, VR&E may never have enough counselors to adequately work with the thousands of veterans seeking assistance each year. By establishing and renewing cooperative agreements with public and private partners, more veterans will be able to receive the specialized service they need. The VA must do outreach in each community to find experienced, credible partners to reduce the workload and place more veterans in employment. These relationships should be developed and encouraged by local VR&E supervisors.

PRIORITIZATION OF SERVICES

PVA acknowledges that VA's VR&E program needs additional resources to meet the needs of entitled veterans with disabilities; however, we have serious concerns about allowing VA to prioritize access to these services. Within state vocational rehabilitation programs, a designated state unit may establish an order of selection in the event that it will be unable to provide services to all eligible clients. An order of selection must provide the order in which individuals will be served; give justification for the order of selection; and describe service and outcome goals, including when each goal will be met for clients within each priority group.⁵ Federal regulations require that individuals with the most significant disabilities must have the highest priority for services.⁶

PVA's members have some of the most significant barriers to employment of any veterans served by VA. Our concern with prioritization is that VR&E services should be available to all entitled service-connected disabled veterans. Creating prioritizations within the VR&E system would most likely create waiting lists as order of selection has done within the state vocational rehabilitation systems. At the close of fiscal year 2013, 33,856 individuals were on waiting lists for state vocational rehabilitation services.⁷

PVA's Operation PAVE counselors have expressed concerns about prioritizing vocational rehabilitation services. According to one counselor, who has experience in the state vocational rehabilitation system, prioritizing clients can be very subjective. An experienced counselor can use, or disregard, many factors in an evaluation. The end result is that prioritizing does not indicate the actual number of clients who require the services of a particular category of service. It merely allows a counselor to designate

⁵ 34 C.F.R. § 361.36.

⁶ *Id.*

⁷ State Vocational Rehabilitation Services Program, 80 Fed. Reg. 21,094 (April 16, 2015).

the predetermined number of clients in each category, which determines when the individual will be served.

Prioritizing the order in which veterans with disabilities will receive VR&E services is problematic. Without a requirement that all entitled veterans be served, it is easy to imagine a system in which veterans needing VR&E services find themselves stuck in waiting lists for those services. A recent study examining the impact of waiting lists in state vocational rehabilitation programs on Social Security Disability Insurance beneficiaries seeking to return to work showed that long wait times for services due to order of selection were “associated with lower employment outcomes” for those beneficiaries.⁸ Instead of delays, veterans with disabilities should have the opportunity to return to work as quickly as possible.

LONGER EMPLOYMENT FOLLOW-UP TIME

As a matter of general practice, VR&E follows veterans placed in employment for 60 days. After 60 days, the veteran's file is closed and the placement is counted as a success. However, we do not believe 60 days is sufficient time to determine if a veteran with a catastrophic disability has adjusted to the reality of returning to employment as a person with a disability.

Adjusting to a new job can be difficult for anyone. For veterans with significant disabilities, challenges related to reasonable accommodations, changing medical needs, or other disability-related issues may lead to problems beyond 60 days post placement. As a co-author of the IB, PVA believes an extended follow up of one year would allow the counselor, employer, and employee to address and resolve issues that can be adjusted or corrected within the veteran's employment situation. Our Operation PAVE counselors apply this principle in their ongoing follow-up with the veterans that they serve.

In many situations, long-term support may be critical to ensuring that a veteran with a disability is able to successfully remain on the job. Job retention prevents a need to return to the VR&E program to once again begin the job search. Instead of receiving additional services that help them return to the workforce, these veterans may be forced to apply for additional financial benefits through VA or other government programs that may make it difficult for them to ever return to the workforce.

ELIMINATE 12-YEAR DELIMITING DATE

As a co-author of the IB, PVA supports the elimination of the 12-year limit on eligibility for VR&E services. The current 12-year delimiting date is insufficient to meet the vocational rehabilitation needs of veterans who have incurred significant disabilities. Many conditions worsen overtime and increase limitations caused by the disability.

⁸ Todd Honeycutt & David Stapleton, *Striking While the Iron is Hot: The Effect of Vocational Rehabilitation Service Wait Times on Employment Outcomes for Applicants Receiving Social Security Disability Benefits*, 39 Journal of Vocational Rehabilitation 137, 137 (2013).

Veterans with catastrophic disabilities should be able to access vocational rehabilitation services that allow them to return to work at any time during their lives.

Veterans recovering from the wounds, injuries, and illnesses associated with military service may need time to reevaluate the path of their lives. In some situations the medical healing process, applicable rehabilitation programs, and emotional adjustment to their new life may significantly delay the time before a veteran is ready to consider employment. Limiting entitlement to 12 years fails to serve these veterans and sentences them to a lifetime of decreased opportunities.

REMOVE THE CAP ON INDEPENDENT LIVING

Veterans who are severely disabled may be unable to seek employment due to the nature of their disabilities. To assist these veterans, VA's VR&E program has the option of providing independent living services. In this program, a number of creative alternatives to employment preparation can be recommended, purchased, or approved by the counselor to enhance the quality of life for the veteran.

The Independent Living program began as a pilot limited to 500 veterans nationwide. Through the years, independent living services proved to be a viable option in the rehabilitation process and the program's capacity was expanded. The program's maximum allowable cap was recently expanded to 2,700 veterans. The limitations on this program mean that a majority of the thousands of veterans returning from the Iraq and Afghanistan conflicts with serious disabilities will never be informed about this program, or allowed to benefit from it.

PVA and the co-authors of the IB have asked Congress for years to remove the cap from the Independent Living program. We know that many veterans who could qualify for the program are never offered this option. This keeps the number of new participants to a minimum. The current cap on the program should be removed immediately. Currently, VA must monitor enrollees into the program to ensure that the cap is never exceeded. Services that help veterans with significant disabilities live independently should not be limited as such limitations could force these veterans into costly institutional care when they prefer to be in their homes.

Congressional funding for VA's VR&E program must keep pace with veterans' need for this service. Our veterans with disabilities have made a tremendous sacrifice for our nation, which is why our leaders must make a concerted effort to ensure that access to education, employment, and training opportunities are available for their transition to the civilian job market.

PVA thanks you for this opportunity to express our views. We would be happy to answer any questions that you may have.

Heather L. Ansley, Esq., MSW

Heather L. Ansley is the Associate General Counsel for Corporate and Government Relations at Paralyzed Veterans of America.

Ms. Ansley began her tenure with the organization in January 2015. Her responsibilities include corporate legal matters, government relations, and disability advocacy. She also works to promote collaboration between disability organizations and veterans service organizations by serving as a co-chair of the Consortium for Citizens with Disabilities (CCD) Veterans and Military Families Task Force. Additionally, she serves as a member of CCD's Board of Directors.

Prior to her arrival at Paralyzed Veterans of America, she served as Vice President of VetsFirst, a program of United Spinal Association. She has also served as the Director of Policy and Advocacy for the Lutheran Services in America Disability Network.

Before arriving in Washington, D.C., she served as a Research Attorney for The Honorable Steve Leben with the Kansas Court of Appeals. Prior to attending law school, she worked in the office of former U.S. Representative Kenny Hulshof (R-MO) where she assisted constituents with problems involving federal agencies. She also served as the congressional and intergovernmental affairs specialist at the Federal Emergency Management Agency's Region VII office in Kansas City, Missouri.

Ms. Ansley is a Phi Beta Kappa graduate of the University of Missouri-Columbia with a Bachelor of Arts in Political Science. Ms. Ansley also holds a Master of Social Work from the University of Missouri-Columbia and a Juris Doctorate from the Washburn University School of Law in Kansas.

She is licensed to practice law in the State of Kansas and before the United States District Court of Kansas.

Information Required by Rule XI 2(g)(4) of the House of Representatives

Pursuant to Rule XI 2(g)(4) of the House of Representatives, the following information is provided regarding federal grants and contracts.

Fiscal Year 2015

Department of Veterans Affairs, Office of **National Veterans Sports Programs & Special Events** — Grant to support rehabilitation sports activities — \$425,000.

Fiscal Year 2014

No federal grants or contracts received.

Fiscal Year 2013

National Council on Disability — Contract for Services — \$35,000.

Disclosure of Foreign Payments

Paralyzed Veterans of America is largely supported by donations from the general public. However, in some very rare cases we receive direct donations from foreign nationals. In addition, we receive funding from corporations and foundations which in some cases are U.S. subsidiaries of non-U.S. companies.

**Testimony of VetsFirst, a program of United Spinal Association
Submitted by Ross A. Meglathery, MPA; Director of VetsFirst, before
the Subcommittee on Economic Opportunity, Committee on Veterans'
Affairs, United States House of Representatives Regarding the
Effectiveness of VA's Vocational Rehabilitation and Employment
Program**

The ability to access quality and practical vocational rehabilitation training and services are of critical importance to provide veterans with disabilities the ability to learn or train to the skills necessary to fully reintegrate into society and the workforce. Not only is this important as a way to find meaningful employment where they might otherwise not be employable, this is essential as a way of repaying veterans for the sacrifices they have made in the service of the nation.

At VetsFirst, our priorities are based on three core principles for improving the lives of veterans with disabilities.

Core Principle—1: Community Integration and Independence

VetsFirst supports policies that help veterans with disabilities reintegrate into their communities and achieve independence. Disabled veterans must have access to employment and educational opportunities that allow them to live meaningful and productive lives.

Core Principle—2: Timely Access to Quality VA Health Care and Benefits

Access to VA health care, compensation and pension benefits are the lifeline for many veterans with significant disabilities. Veterans who are unable to access these needed services and benefits due to delays or shortages of personnel will lack the foundation that will allow them to take advantage of opportunities in their communities.

Core Principle—3: Rights of Veterans with Disabilities

VetsFirst believes that discrimination against disabled veterans that produces barriers to housing, employment, transportation, health care, and other programs and services must be eliminated.

As you may clearly see, from our core principles, reintegration into society is what we at VetsFirst seek for our members. Veterans do not want a handout or a leg up on others. Rather, they want the benefits they have

earned in order to maintain their abilities to be productive members of society. As such, the Vocational Rehabilitation and Employment (VR&E) Program is of great importance to us.

The Vocational Rehabilitation and Employment (VR&E) Program is authorized by Congress under Title 38, Code of Federal Regulations, Chapter 31. Referred to as the Chapter 31 program, the VR&E program assists veterans with service-connected disabilities to prepare for, find and keep suitable jobs. For veterans with service-connected disabilities so severe that they cannot immediately consider work, VR&E offers services to improve their ability to live as independently as possible.

Chairman Wenstrup, Ranking Member Takano, and other distinguished members of the subcommittee, thank you for giving VetsFirst the opportunity to testify regarding its views on the effectiveness of the Department of Veterans Affairs' (VA) Vocational Rehabilitation and Employment (VR&E) Program.

VetsFirst, a program of United Spinal Association, has represented our disabled veterans, their families and their caretakers since 1946 when paralyzed World War II veterans came together to advocate for their rights. We advocate for the programs, services and disability rights that help all generations of veterans with disabilities remain independent and fulfill their desire to reintegrate with society at large. As such, this includes access to VA financial and health care benefits, housing, transportation and employment services and opportunities. Today, through our parent organization United Spinal Association, we are not only a VA-recognized national veterans service organization, but we are a leader in advocacy for all people with disabilities.

VA's VR&E services are critical to helping eligible servicemembers and veterans with service-connected disabilities receive the skills and training necessary to help them reintegrate into the workforce and their communities. The opportunity to participate in the workforce is critical, not only because of the inherent financial benefits of employment, but also because returning to work is a way to adjust to the normality of life in a veteran's post military years. Without the opportunity to continue participating in the workforce, many veterans with disabilities may become disconnected from society and be unable to continue to fulfill their place as contributing members to the very society that they have devoted their time and health.

While VR&E has received additional staffing in recent years and caseloads have decreased, VetsFirst continues to be concerned that the VR&E program still lacks the resources needed to best assist all disabled veterans in returning to employment.

Additionally, VetsFirst is concerned about VR&E's difficulty in overcoming certain disabilities that contribute to a veterans' inability to succeed in a vocational rehabilitation program. Veterans who are living with mental health conditions have poorer VR&E outcomes than those with other disabilities. This is of particular concern as this generation's veterans are experiencing mental health issues based on multiple deployments in over a decade of combat operations. Adding to the efforts to take away the stigma of mental health problems, veterans are more willing to seek help for mental health issues. However, there is a shortage of mental health professionals with experience in dealing with veterans' needs and VR&E vocational rehabilitation counselors must have the skills and training needed to facilitate job placement and disability-related accommodations.

Anecdotal evidence and research show that many veterans who have acquired disabilities do not believe that they will be able to easily explain the types of job accommodations that they might need due to their disabilities. Without proper information about how to navigate the workforce as a person with a disability, veterans living with mental health conditions and other significant issues may face barriers in achieving meaningful, significant and consistent employment.

Veterans with more serious disabilities may also routinely require a higher level of employment support both pre- and post-placement than is typically provided by VR&E. Otherwise, some veterans who are unable to remain in the workforce due to disability may be forced to apply for benefits like Individual Un-employability or Social Security Disability due to a lack of support.

VetsFirst would like to take this opportunity to highlight two issues of concern.

The eligibility to access VR&E benefits should not be limited to a seemingly arbitrary period of time.

Current State: Under the current VR&E requirements, to be eligible for VR&E benefits, it must be 12 years or fewer since either a servicemember's date of separation from active military service or when VA notified them of their qualified service-connected disability, whichever date is later.

Recommendation: Congress should do away with the 12-year requirement for eligibility of VR&E. The injury, either physical or mental will be with the veteran for their lifetime. While a mental or emotional injury may not immediately affect the veteran, it may acutely manifest itself in that individual at any time in the near or distant future.

On a personal note, being a combat wounded veteran it is my experience that it is often difficult for a veteran to come to terms with their emotions in the period after the trauma of war. In my own case, prior to fighting in Iraq I had a quick temper and a lack of patience. However, I think it likely that my lack of patience and temper were exacerbated by the stress of war. That said it took me a long time and a lot of reflection to come to that conclusion. That is why I think it necessary to re-evaluate the section of Vocational Rehabilitation that limits the time period of 12 years of eligibility. I am only one veteran and I have anecdotal experience that leads me to believe that I am not alone in having had to mature a little and begin to reflect before I was able to come to terms with the affects of war.

I had first seen combat as a 30 year-old man who seemingly should have been fully mature and self-aware. I cannot imagine what it would have been like to experience combat as an 18 year-old. Think about that. Someone who had seen war as an 18 year-old would be roughly about the age when I first saw combat. In that scenario, they would be generally at the end of their VR&E eligibility period. As I have said, 30 years was not enough life experience to know myself. For others, this may likely be the case as well.

Additionally, there is another factor that I believe is also a strong validation of why the 12-year eligibility period must be extended. The issue of which I speak is PTS and its requirement for treatment.

There have been great efforts by VA and DOD to remove the stigma for a servicemember asking for help. This has been critical, as suicide amongst military personnel and veterans has come to the forefront of this nation's consciousness.

However, it is only recently that the stigma has started to be chipped away at. For someone that had shown signs of PTS early in the wars in both Afghanistan and Iraq, it is already too late for them to use VR&E under the 12-year eligibility rule. While asking for help now may not be stigmatic, it is possible, and I would say likely that they would have felt stigmatized for seeking help and treatment as recently as a decade or even 5 years ago.

Caseload of VR&E staff

Current State: While there has been a reduction in the caseload of VR&E staff, VetsFirst believes that the caseloads in the current state are still too high and that VR&E resources are not sufficient to provide timely results. Not all injuries are created equally and those afflicted with spinal cord injuries (SCI/D), or Traumatic Brain Injury (TBI) are likely to require more individual time and attention. VetsFirst believes that in order to more effectively manage VR&E there are several options that should be exercised.

Recommendation: Congress must appropriate the proper funding level to support VR&E. It must also support efforts to hire sufficient staff. However, the answer to reducing the counselor to veteran ratio is not strictly a matter of increasing the VR&E budget and staff levels.

The goal of VR&E is employment. Therefore, it is important that the VR&E program exercise a holistic approach to getting veterans back to work. For veterans who require more support and services, VR&E should consider partnering with a variety of non-profit organizations that provide the intensive services needed to assist veterans living with significant disabilities, including mental health conditions, in returning to and remaining in the workforce. Additionally, VA needs to enhance its relationships with state and local government and industry writ large.

Proper funding, a reduction of caseload and building partnerships with other public sector and private sector entities is crucial for the success of both VR&E and the veteran. But it is the long-term success of the veteran that is the indicator of VR&E's effectiveness. VA must also track veterans' employment in the long term. VetsFirst believes that the veteran would greatly benefit if their employment were monitored for at least a year. By establishing a longer-term relationship with a counselor periodically

following up, the VA will be able to track the effectiveness of the program and hold employers accountable to their commitment to support VR&E.

VetsFirst would like to express its thanks for the opportunity to testify concerning its views on VA's VR&E Program. We appreciate your leadership on behalf of our nation's veterans who are living with disabilities. I will be happy to answer any questions.

Information Required by Clause 2(g) of Rule XI of the House of Representatives

Written testimony submitted by Ross Meglathery, Director of VetsFirst; VetsFirst, a program of United Spinal Association; 1660 L Street, NW, Suite 504; Washington, D.C. 20036. (202) 556-2076, ext. 7103.

This testimony is being submitted on behalf of VetsFirst, a program of United Spinal Association.

**STATEMENT OF
JACK KAMMERER
DIRECTOR, VOCATIONAL REHABILITATION AND EMPLOYMENT SERVICE
VETERANS BENEFITS ADMINISTRATION
DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
HOUSE COMMITTEE ON VETERANS' AFFAIRS**

July 8, 2015

Chairman Wenstrup, Ranking Member Takano, and members of the Subcommittee, thank you for inviting me to appear before you today to discuss the Department of Veterans Affairs (VA) Vocational Rehabilitation and Employment (VR&E) program and our efforts to transform the VR&E program to enhance the delivery of services to our Servicemembers and Veterans.

VR&E employees across the country are committed to and engaged in multiple initiatives to extend VR&E's outreach capabilities, gain a better understanding of our current and future Veteran population, increase program efficiencies, enhance our supporting technologies, and reframe performance metrics. All of these efforts are focused on providing better support to the nearly 124,000 Veterans currently participating in the VR&E program and all those we will serve in the future.

VR&E Program Overview

VA's VR&E program assists Servicemembers and Veterans with service-connected disabilities and barriers to employment in preparing for, finding, and

maintaining suitable employment. For Veterans with service-connected disabilities so severe that they cannot immediately consider employment, independent living (IL) services are offered to improve their ability to live as independently as possible.

VR&E employs nearly 1,000 professional Vocational Rehabilitation Counselors (VRCs) and delivers services through a network of almost 400 locations. Our service delivery model supports Veterans where they live and currently includes operations at 56 regional offices (ROs), the National Capital Region Benefits Office (NCRBO), 165 VR&E out-based offices, 71 military installations for the Integrated Disability Evaluation System (IDES), and 94 VetSuccess on Campus (VSOC) sites. VR&E staff members are also co-located at nearly 150 Veterans Health Administration (VHA) medical facilities.

As authorized under Title 38, United States Code, Chapter 36, the VR&E program also provides educational and career counseling to transitioning Servicemembers; Veterans who are eligible for VA educational benefits; and children, widows, and spouses of Veterans who died as a result of their service or have permanent and total service-connected disabilities. In addition, vocational and rehabilitation benefits are provided to children with spina bifida born to certain Veterans with service in Vietnam or Korea.

VR&E Program Data

As the Veterans Benefits Administration (VBA) continues to make major progress in eliminating the disability claims backlog, there are more and more Veterans with service-connected disabilities potentially eligible for and in need of vocational

rehabilitation services to remove barriers to employment. The volume of VR&E applications has increased over 30 percent from FY 2011 to FY 2014, with a nearly 10-percent growth in VR&E participants over each of the past two years. Even with this dramatic growth, VR&E provided entitlement determinations to applicants in an average of 43 days -- below the national target of 45 days. The total number of VR&E cases worked by VRCs, including applicants, exceeded 181,000 in FY 2014. The aggregate number of VR&E participants increased by 9.5 percent, from over 112,000 in FY 2013 to nearly 124,000 in FY 2014.

VR&E successfully assisted over 10,000 Veterans in achieving their rehabilitation goals in FY 2014, a 2.7 percent increase from FY 2013, with employment rehabilitations increasing 7 percent over FY 2013. Of these, 8,621 achieved rehabilitation into suitable employment, and an additional 511 Veterans completed their rehabilitation plan and were determined job ready, but elected to pursue further education rather than seek immediate employment. The remaining 1,548 Veterans had disabilities so severe that they could not pursue employment, but gained greater independence in their daily lives through the delivery of IL services and achievement of their IL goals.

VetSuccess on Campus

With a team of 79 VSOC counselors, VR&E continues to leverage its partnerships with 94 schools across the country to provide educational and vocational counseling and other on-site services to approximately 78,000 Veterans on campus. Out of this target population, VSOC counselors assisted over 58,000 Veterans and eligible dependents, including over 25,000 new contacts, through outreach efforts in FY

2014. VSOC counselors coordinate delivery of on-campus benefits assistance and educational/vocational and/or adjustment counseling, employing all possible means and resources to assist Veterans and beneficiaries in completing their college education and entering the labor market in viable careers. In collaboration with host institutions, a number of VSOC counselors have established or enhanced peer-to-peer Veteran mentoring programs in order to address military-to-college transition issues. VA is committed to the VSOC program and continues to evaluate schools for potential future participation.

IDES and Other VR&E Outreach

VR&E closely collaborates with the Department of Defense to provide VR&E services to Active Duty, Reserve, and National Guard Servicemembers going through the IDES process. To ensure Servicemembers have access to and awareness of VR&E services, VA deployed nearly 200 IDES counselors to 71 military installations to work directly with Servicemembers in the IDES process or attached to the Army's Warrior Transition Command and/or a military service Wounded Warrior Program. These counselors provide early intervention counseling and ensure wounded, ill, and injured Servicemembers are aware of the VR&E services to which they may be entitled. In collaboration with the U.S. Army's Warrior Transition Command, VR&E is jointly visiting select IDES sites to improve the VR&E referral process and enhance outreach and early intervention counseling services at military installations. Since July 2014, VA and the Warrior Transition Command have visited 12 Army installations in California, Colorado, Georgia, Kansas, Virginia, and Texas. VA has independently visited an

additional five military service installations. These visits provide opportunities to improve service delivery and communications and identify best practices to share with other IDES sites.

VR&E continues to provide educational and career counseling to transitioning Servicemembers and Veterans who are eligible for VA educational benefits, and other eligible beneficiaries. VR&E has undertaken outreach efforts to increase awareness and inform eligible participants about chapter 36 counseling services. More comprehensive and updated information about chapter 36 counseling and other services has been incorporated into the Transition Assistance Program (TAP) curriculum, specifically VA Benefits I, Accessing Higher Education, and the Entrepreneurship and Career Technical Training Tracks.

Coordination with the Department of Labor (DOL)

As stated in our February 27, 2015 Memorandum of Agreement, the VA and Department of Labor (DOL) take a "team approach" to helping Servicemembers and Veterans with service-connected disabilities become job ready and find suitable employment. DOL's Veterans' Employment Service (VETS) staff and the American Job Center network provide valuable resources to both VR&E counselors and participants. For example, Disabled Veterans' Outreach Program (DVOP) staff, who are funded by DOL VETS, provide local labor market information to VR&E participants. DVOPs can also provide tailored counseling when participants are ready to begin their job search. VR&E personnel are also able to participate in training classes and webinars hosted by the National Veterans' Training Institute, where they can learn more about VETS' Jobs

for Veterans State Grant program and how to best leverage DOL resources for their clients.

Information Technology and Business Process Improvements

VR&E is working to leverage technology to increase efficiencies and enhance services and prepare for the initial development of the new VR&E case management system, VRE-CMS. Together with the Veterans Relationship Management (VRM) Program Management Office and VA's Office of Information and Technology (OI&T), VR&E has refined the functional requirements for VRE-CMS, which will include a planned collaborative user interface in eBenefits and allow VR&E to move toward a more efficient and Veteran-centric paperless service-delivery process. The paperless service-delivery process includes self-service options through eBenefits, phased elimination of paper files, and automation of payment processing. A paperless business process will allow VR&E to better support Veterans on their own terms and reduce the administrative burden on VR&E counselors. The intent is to integrate VR&E with other VA business lines and benefit information systems to enhance relationship management and support vocational rehabilitation success. The goals of the new VRE-CMS are to deliver a paperless service delivery model, better support Veterans on their own terms, ensure consistent/efficient service delivery and quality, and modernize the employee experience. The total two-year IT development funding for this project is \$9.7 million, with \$3.8 million in FY 2015 and \$5.9 million in FY 2016.

Last month VR&E began the phased release of the CWINRS subsistence allowance module (SAM), with full deployment to all ROs by August 2015. The module

utilizes the corporate Financial Accounting System (FAS) to make subsistence payments to Veterans and will eliminate VR&E's reliance on the legacy Benefits Delivery Network by December 2015. Through June 16, 2015, over 13,500 Veterans have received subsistence payments through FAS, and delivery of payments by the new system is increasing at a rate of over 1,000 Veterans per week.

In collaboration with VHA, VR&E expanded VHA Telehealth and CAPRI technologies to enhance direct Veteran service through online counseling technology and an online medical referral tracking system. The introduction of CAPRI allowed VR&E to transition from a cumbersome paper-based process for medical referrals to an electronic process with the capability to track medical referrals from scheduled appointment through delivery of service by VHA. Since its release in March 2015, VR&E employees have successfully referred over 1,200 Veterans to VHA for medical services. Telecounseling uses secure video conferencing to enable VR&E counselors to remotely meet with and counsel Veterans receiving VR&E services. The system was released nationally to program participants and VR&E's team of 1,000 VRCs in March 2015. Although this is the initial phase of deployment, it has significant potential to increase VR&E's responsiveness to Veterans' needs, reduce travel costs and time for Veterans and employees, and improve accessibility to VR&E services.

New VR&E Performance Measures

VR&E is in the final stages of implementing new program performance measures that will place a greater focus on Veteran outcomes. VR&E's intent is to adopt a national model of Veteran success similar to a college graduation rate. The success

rate is the percentage of Veterans who complete their goals and/or obtain employment (positive outcomes) measured against all Veterans in their class (i.e., year of program initiation). The persistence rate is the number in the class who successfully achieved a positive outcome plus the number of Veterans persisting in their rehabilitation program, measured against all Veterans in their class. VR&E Service will use a six-year completion model that aligns to the January 2014 Government Accountability Office (GAO) report finding that 76 percent of the Veterans who completed VR&E successfully did so within six years. The model also better aligns with reporting of graduation rates by institutions of higher learning, and better reflects the individualized needs of Veterans with service-connected disabilities in the VR&E program.

These new measures of Veterans' success in the VR&E program are driven by positive outcomes and active participation. In support of the national key measures of class success and persistence rates, employee performance standards were reviewed to ensure they support the new program metrics. These new metrics will effectively measure Veterans' outcomes at every stage of their progression through the program, and will more accurately account for Veterans' multi-year participation in the VR&E program. This new model will provide stakeholders with a clear, intuitive accounting of Veterans' progress and employment outcomes and better reflect the program mission. The new performance measures will be reported in FY 2016, as VR&E closes out the rehabilitation rate measure at the end of FY 2015.

Process Redesign

VR&E continues to refine service-delivery models and has developed business models for some of the more complex processes, such as the delivery of services in self-employment and IL cases. Additionally, VR&E has increased oversight of IL cases by lowering cost-approval thresholds for IL construction to those above \$15,000 (previously \$25,000) and implemented additional reviews during the development phase of certain self-employment cases. At the VR&E Officers' Training Conference in June 2015, VR&E conducted break-out sessions with small groups of its field managers to review procedures and discuss both improving service-delivery and accountability for case management. As VR&E caseloads continue to grow, VR&E is exploring ways to reduce the workload burden on VRCs. VR&E is also working to improve contract service support, increase the use of work-study students, and explore the use of volunteers to aid in administrative support.

Other ways to improve the program's performance are currently being evaluated using a Baldrige-based framework. VR&E is specifically looking at its organizational profile, program leadership, strategic planning, Veteran and employee needs, measurement and analysis of workload, knowledge management, and program results. VR&E is also focused on managing and synchronizing all the components of its program as a unified whole, incorporating data analytics, and managing change. VR&E Service recently surveyed its field organization for best practices in workload management, and the results were assessed to identify best practices for implementation nationwide.

Together with VBA's Office of Field Operations, enhanced VR&E leadership development and training opportunities are being developed. A joint workgroup was formed in early June 2015 to identify opportunity gaps for VR&E employees. A second workgroup will be formed in August 2015 to examine VR&E leadership structure. Recommendations from each group will be consolidated into a VR&E leadership development and action plan in early FY 2016.

Progress continues on implementation of recommendations from GAO's January 2014 report entitled, "VA Vocational Rehabilitation and Employment: Further Performance and Workload Management Improvements are Needed." Four of the six GAO recommendations are now closed. The two open recommendations pertain to the development and implementation of the new national VR&E performance measures and a post-outcome case management tool. VR&E Service is on track to implement new national performance measures this month. As previously discussed, VR&E Service is closely partnering with VA's VRM Program Management Office and OI&T to develop the new VRE-CMS that includes a requirement for tracking Veterans' post-case closure information.

VR&E Longitudinal Study

The 20-year congressionally mandated VR&E Longitudinal Study of Veterans who began their VR&E programs in FY 2010, FY 2012, and FY 2014 has provided a wealth of information to date, including detailed analyses of cohort trends and Veterans' satisfaction with VR&E services. From this year's fifth iteration of the study, which will soon be provided to Congress, VR&E found that the majority of participants for all

cohorts reported moderate to high program satisfaction (approximately 90 percent), and on average, women make up a larger percentage of VR&E program participants (17–20 percent) than the overall Veteran population (9 percent). Comparing combined disability ratings for cohort members with those of the overall population of Veterans with a service-connected disability revealed that VR&E participants have a higher combined disability rating of nearly 60 percent. The study also revealed that nearly one quarter or more of participants in each cohort have a primary rating for PTSD, and 85 percent of Veterans who achieved rehabilitation from an employment plan in Cohorts I and II are currently still employed. The study further indicates that Veterans who successfully complete the VR&E program report more positive economic outcomes, to include higher employment rates and annual earnings and more frequent home ownership, as compared to those Veterans who discontinued their participation in the VR&E program.

Conclusion

VR&E will continue to assess and improve the delivery of vocational rehabilitation services to a most deserving population of men and women who have incurred a service-connected disability through service to our Nation. Through the initiatives and improvements noted, VA is substantially improving and materially enhancing the VR&E program.

Mr. Chairman, this concludes my statement. I would be pleased to answer questions from you or any of the other members of the Subcommittee.

**STATEMENT
OF
RALPH CHARLIP
DEPUTY ASSISTANT SECRETARY FOR OPERATIONS AND MANAGEMENT
VETERANS' EMPLOYMENT AND TRAINING SERVICE
U.S. DEPARTMENT OF LABOR
BEFORE THE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

July 8, 2015

Introduction

Good afternoon Chairman Wenstrup, Ranking Member Takano, and distinguished Members of the Subcommittee. Thank you for the opportunity to participate in today's hearing to discuss the Department of Labor's (DOL) role in providing employment services to our Nation's veterans and transitioning service members in coordination with the Department of Veterans Affairs' (VA) Vocational Rehabilitation and Employment (VR&E) Program.

DOL takes very seriously its role in providing employment services to veterans and transitioning service members, including those in the VA's VR&E program. The VR&E program focuses on assisting veterans with service-connected disabilities and barriers to employment in preparing for, finding, and maintaining suitable employment. For those veterans with service-connected disabilities so severe that they cannot immediately consider employment, VR&E offers Independent Living services to improve their ability to live as independently as possible. While veterans bring talents and experience to the workplace, DOL recognizes that disabilities may present significant barriers to overall rehabilitation and meaningful employment for some veterans. Accordingly, DOL personnel around the country, as well as our state and local workforce agency partners, work hard with our VA counterparts to ensure that DOL's programs are made available to provide needed assistance to veterans with disabilities.

DOL-funded support for veterans with significant barriers to employment are delivered primarily by Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representative (LVER) staff located in American Job Centers (AJCs) throughout the country. These positions are funded through the Jobs for Veterans State Grant Program (JVSG) administered by DOL's Veterans' Employment Training Service (VETS) and aligned with the other employment services provided at AJCs, including the Workforce Innovation and Opportunity Act and Wagner-Peyser Employment Services. By law, priority of service is provided to veterans in all employment and training programs funded by DOL.

DOL-funded employment services for disabled veterans complement the services provided by VR&E counselors, and this requires close coordination between VR&E and VETS. This coordination is managed under a Memorandum of Agreement (MOA) between DOL and VA, the most recent of which is dated February 27, 2015. This MOA describes the goals of our coordination, the roles and responsibilities of each party, and establishes a Joint Working Group comprised of staff members from both DOL and the VA to manage this arrangement. The current MOA has been included as part of our submission for the hearing record.

The recently signed MOA was designed to build on each partner's strengths and to reduce duplication between DOL and VA programs. For example, our experience has been that veterans enrolled in VR&E-funded training do not usually require additional job training funded by DOL programs during, or following, their participation in VR&E. However, DOL-funded intensive services can play an important role in placing VA's VR&E participants into employment. These intensive services can be provided by DVOP specialists or AJC staff funded under title I of WIOA. In this way, DOL efforts complement VA's work with veterans to attain their rehabilitation goals. DOL will continue to work closely with VA to ensure that veterans who receive VR&E services can transition seamlessly into suitable occupations by providing critical DOL employment services when needed.

JVSG and AJC Services for Veterans

In Program Year (PY) 2013, which ended June 30, 2014, DOL programs provided funding for employment and training services to over 1.1 million veterans at nearly 2,500 AJCs throughout the country. Some of these were disabled veterans and other veterans with significant barriers to employment who are or were enrolled in VA's VR&E. As I mentioned, services for veterans referred under VR&E are provided by DVOP specialists and LVER staff.

Funded at \$175 million in PY 2013, the JVSG program provided career and employment services to over 320,000 of the 1.1 million veterans and other eligible persons served by DOL-funded programs, including over 140,000 veterans who received intensive services from a DVOP or individualized career services particularly to address significant barriers to employment.

Table 1 provides the performance measures for DOL employment-related programs that serve disabled veterans and other eligible job-seeking veterans. We are pleased to note that our outcomes demonstrate improvement from PY 2012 through PY 2013.

Table 1. Common Measure Results, PYs 2012-2013, Combined Outcomes of Wagner-Peyser Employment Service and Jobs for Veterans State Grants

Measure	PY 2012 Result	PY 2013 Result	Variance
Percent of Veterans employed in the first quarter after exit (Entered Employment Rate (EER))	50.2%	52.9%	2.7%
Percent of Veterans employed in the first quarter after exit still employed in 2nd & 3rd quarters after exit (Employment Retention Rate (ERR))	79.6%	81.0%	1.4%
Average six month earnings of Veterans in the second and third quarter after exit (Average Earnings (AE))	\$16,870	\$17,228	2.1%
Percent of <i>disabled</i> Veterans employed in the first quarter after exit (EER)	47.3%	48.6%	1.3%
Percent of <i>disabled</i> Veterans employed in the first quarter after exit still employed in 2nd & 3rd quarters after exit (ERR)	78.4%	79.9%	1.5%
Average six month earnings of <i>disabled</i> Veterans in the second and third quarter after exit (AE)	\$17,134	\$18,422	7.5%

*Table 1: As reported in the Labor Exchange Reporting System, ETA-9002D and, for the states of Texas, Utah and Pennsylvania, ETA Form 9132. This information is not exclusive to VA's VR&E participants.

Team Approach

We see ourselves as a vital member of a three-party team – DOL through Federal, state, and local staff; VA's VR&E counselors; and those disabled veterans who benefit from our services. As such, our programs are complementary. VA's VR&E is a comprehensive rehabilitation program that assists servicemembers and veterans with service-connected disabilities and barriers to employment in preparing for, finding, and maintaining suitable employment. For those veterans with service-connected disabilities so severe that they cannot immediately consider employment, VR&E offers Independent Living services to improve their ability to live as independently as possible. Service-connected disabled veterans (other than those dishonorably discharged), including service members who expect to receive a service-connected disability determination upon their discharge from the military service, are eligible for VR&E. As the Federal Government's leader for veterans' employment, DOL is able to provide critical expertise to VR&E counselors, and provide critical employment and career services to veterans and transitioning service members.

DOL-funded intensive employment services offered by DVOP specialists are open to a wider variety of veterans identified as having significant barriers to employment, which may include a service-connected disability, homelessness, low income, lack of a high school diploma or equivalent, or other similar challenges.

Coordination

DOL and VA ensure close coordination between our VETS staff, JVSG staff, and VR&E counselors. DOL provides access to local labor market information through AJCs and electronic means to guide jobseekers in selecting training, credentialing, in-demand occupations and relevant employment opportunities. This information is particularly useful in helping veterans find suitable jobs upon completion of VR&E training or when they are determined by the VR&E counselor to be ready to more actively begin their job search. Through the coordinated DOL, VA, and State Workforce Agency system, we track outcomes for all veterans referred to DOL from the VA and provide these results to the Congress in our Annual Report. In Fiscal Year (FY) 2013, of the 8,689 veterans who VA reported as having successfully entered suitable employment, 4,877 had been referred by VR&E counselors to DOL for placement assistance or labor market information counseling.

DOL and VA are guided by the Administration's Job-Driven Training principles in our support for VR&E programs to assist disabled veterans with employment needs. Four of these elements are:

1. Employer Engagement – actively engaging employers to determine local and regional hiring needs, design and deliver training, and provide work-based training opportunities including apprenticeships, on-the-job training, and internships;
2. Labor Market/Career Information – using labor market information and information from State workforce investment boards and employers to guide jobseekers in selecting training, credentialing, and employment opportunities;
3. Helping those with barriers to employment access training and secure employment; and,
4. Job/Career Results – measuring and evaluating employment and earnings outcomes.

While VA is not required to refer VR&E participants to DOL for assistance, the new MOA strongly encourages such referrals. In practice, a veteran who is enrolled in the VR&E program and referred to DOL interacts with DOL-funded personnel at two distinct points. The first is during or following enrollment in the VR&E program, when our DVOP specialists provide labor market information and guidance to applicants, new enrollees, or their counselors about the types of jobs that are available in the geographical area in which they desire to work, an assessment of the veterans' skills (including translation of military service to civilian job skills), and the kinds of training or education that would be required to enter a particular industry. Any veteran who is enrolled in VR&E is eligible for DVOP services as a disabled veteran, regardless of other factors or barriers, because having a service-connected disability is itself considered a significant barrier to employment for DOL purposes.

The second point occurs when the veteran is nearing completion of the VR&E program, is beginning to look for work, and is referred to DOL for employment services. At that time, a DVOP specialist works with the VR&E client to prepare for and apply for job openings which match the abilities, education and training of the veteran, and are in the career field and geographic area identified within the Individual Written Rehabilitation Plan developed by VR&E. This process may take some time, and the DVOP specialist remains in regular contact with the VR&E veteran throughout their job search. In some cases, a DVOP specialist may be in touch with a veteran throughout his or her education or training using a case management approach (which DVOP specialists are taught by the National Veterans' Training Institute (NVTI)). In other cases, the referral to the DVOP specialist may not occur until the VR&E veteran has completed VR&E-funded training and exhausted their own job search options.

Veterans may seek employment or training services directly at their local AJC. At AJCs, veterans are screened to determine whether they have explored vocational rehabilitation services and, if thought to be eligible, are referred to the VA for VR&E services. Additionally, the VA refers disabled veterans who are not found to be eligible for the program to their local AJC for employment services. Any veteran found ineligible for VR&E can still be served by a variety of DOL employment and training programs, including possible intensive services by a DVOP specialist, following an initial assessment at an AJC.

VR&E personnel are also able to participate in training classes and webinars hosted by the NVTI at the University of Colorado – Denver, where they can learn more about JVSG programs and how to best leverage DOL resources for their clients. This is made possible through the MOA between the VA and DOL. VA is responsible for associated costs.

Success Story

The story of Lori Mobbs provides one example of how this interagency coordination works. An Army veteran with more than 15 years of military service, she utilized the VR&E program to complete her B.S. degree in Geography in December, 2014. Through the effective collaboration between the Department of Veterans Affairs, and the Alabama Departments of Labor and Veterans Affairs, she met with a DVOP specialist who provided federal job search assistance during her initial visit to an AJC in Huntsville, AL. Because she was eligible for intensive services, and because of her strong desire to obtain employment with the National Park Service (NPS), the DVOP specialist assisted her in applying for several NPS positions. Lori had three interviews and two job offers. I am very pleased to report that she accepted a position at Olympic National Park in Washington State in April 2015 and reported to work last month. In support of her employment success, the VA provided Lori with the airfare necessary to get from Birmingham, AL to her new home in Seattle, WA. The Huntsville DVOP specialist contacted a DVOP specialist in Port Angeles, WA to create a network of support for Lori once she landed in Seattle, and to make sure she had someone to call in case she needed assistance.

Lori flew to Seattle on May 26th. Her new boss, a Lead Park Ranger, met Lori in town and transported her to her new duty station in the Hoh Rainforest. By June 10th, Lori was in training as a Park Ranger. She began performing the job as an Interpretive Park Ranger on June 15, 2015.

Conclusion

Creating opportunities for our veterans to thrive in the civilian economy through meaningful employment is a priority for DOL. We work closely with our partners at the Department of Veterans Affairs to properly execute our complementary employment services. DOL has well-established partnerships with Governor-appointed State workforce boards and State workforce agencies, as well as business-led local workforce boards that oversee the network of AJCs across the Nation. This AJC network facilitates veterans' employment with large national employers, as well as those small and medium-sized businesses that do most of the hiring. As part of DOL, VETS and its partner agencies work closely with the States to ensure that the AJC network enhances the job opportunities for VR&E participants.

DOL and VA coordinate to give veterans seamless services to achieve their employment goals. We are proud of the DOL programs that deliver positive employment outcomes for our disabled veterans, and look forward to continuing to work with our partners at VA and this Subcommittee.

Chairman Wenstrup, Ranking Member Takano, and distinguished Members of the Subcommittee, this concludes my written statement. Thank you for the opportunity to take an active part in this hearing. I welcome any questions you may have.

STATEMENT OF BENJAMIN L. KRAUSE, JD
TO THE U.S. HOUSE OF REPRESENTATIVES
COMMITTEE ON VETERANS' AFFAIRS
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY
JULY 8, 2015, HEARING ON VA VOCATIONAL REHABILITATION & EMPLOYMENT

EXECUTIVE SUMMARY

The Department of Veterans Affairs Vocational Rehabilitation and Employment program is a vital and important service that helps disabled veterans answer one of the most important questions in their lives, "What will I do for the rest of my life?"

A grassroots analysis on social media and the web over the past five years indicates problems persist that serve as bureaucratic roadblocks within the Department of Veterans Affairs (herein VA) and its Vocational Rehabilitation and Employment (herein VRE) program. These roadblocks result in an inefficient allocation of benefits to deserving disabled veterans.

Previously, deficiencies addressed to this Subcommittee include the following: 1) inadequate staffing; 2) inadequate training; and, 3) inadequate accountability metrics.

As of this writing, many persistent VRE deficiencies remain following our analysis using social media and a web intelligence network analysis. Current deficits plaguing the program are:

1. Irresponsible and vague explanations of program possibilities while withholding overall program capabilities and available resources resulting in asymmetrical information sharing.
2. Irresponsibly high caseloads that result in mismanagement of veterans' rehabilitation programs, tardy stipend payments, and dysfunctional communication practices.
3. Inadequate VRE counselor (herein VRC) training requirements resulting in a fundamental breakdown of working knowledge of statutes, regulations and rules governing VRC behavior toward disabled veterans.
4. Inconsistent and unlawful use of record creation and maintenance during the lifetime of a veteran's use of VRE services.

Due to these deficits, Director Jack Kammerer agreed to provide one peer-to-peer advocacy network with points of contact within the agency's Central Office to facilitate increased awareness within VRE of problems veterans face across the nation while accessing VRE benefits. That feedback system is in its infancy but could prove useful for veterans and VRE.

INTRODUCTION

When House Committee staff asked for feedback from our online community, many members reached out to me so that I could relay their thoughts and concerns to you about deficiencies within VRE. Many of the deficiencies are persistent problems that harm veterans' ability to answer the pivotal question, "What will I do for the rest of my life?"

As a 100% PT disabled veteran, I used VRE benefits for 12 years and received vocational retraining and related support valued at \$350,000. VRE funded my undergraduate and law school education, while also paying for accommodative equipment I use in my startup law firm that

focuses on representing veterans against VA. But, the process to getting these great benefits was riddled with bureaucratic roadblocks where I received limited effective support from traditional veteran service organizations. I realized from this experience that an acute need existed to create online resources for veterans to teach them the self-advocacy strategies I used, since no veteran organization chose to move away from the traditional dependence model.

In response, I created a peer-to-peer network focusing on VA benefits including VRE that center around the website DisabledVeterans.org. (herein DVorg). The start up capital for this endeavor was entirely self-funded from my disability compensation and continues based on sales of a book I wrote in law school called "Voc Rehab Survival Guide For Veterans." The network serves two purposes: 1) it helps VA fix roadblocks from within the agency; and, more importantly, 2) it helps veterans not get trapped by those same roadblocks while also encouraging each other with daily victories.

Since its creation, the DVorg community has grown and resulted in a substantial increase in effective benefits access for veterans with respect to VRE. Over 500,000 unique visitors engage on the website annually (DisabledVeterans.org), while 20,000 interact regularly across social media networks including Facebook (Disabled Veterans - Chapter 31 Voc Rehab). Investigative journalism and policy research originating from this network published on DisabledVeterans.org has been featured across a variety of media platforms including Bloomberg News, Foreign Policy Magazine, CBS Evening News, Fox, Washington Times, and Star Tribune to name a few. Currently, DVorg is considered a touch-stone of the veteran community it serves by some VA insiders, and it is the only independent veteran-centric policy research and news resource online.

VRE OVERVIEW

According to 38 C.F.R § 21.1, the stated purpose of VRE as it relates to rehabilitating eligible and entitled disabled veterans is:

"The purposes of this program are to provide to eligible veterans with compensable service-connected disabilities all services and assistance necessary to enable them to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment."

Despite these purposes and the clear mandate to help eligible veterans to the maximum extent feasible, VRE deficiencies continue to result in the program falling short.

The VRE program provides fantastic benefits to veterans with employment handicaps. The scope of the benefits can vary depending on a variety of factors including limitations, severity and type of employment handicap, aptitudes, abilities, interests and previous training.

The five employment tracks are:

- Reemployment
- Rapid Access to Employment
- Self-employment
- Independent Living
- Employment Through Long-Term Services

Veterans deemed eligible and entitled to benefits will enter one of the five tracks based on their aptitudes, abilities and interests. The majority of veterans involved with the DVorg community receive educational services in some form of the Long-Term Services track. Very few veterans if any are approved for Self-employment.

The monthly stipend for veterans with no dependents in the program in training under the Long-Term Services track is \$603.33 per month and does not adjust for cost of living like the Post 9/11 GI Bill. Veterans eligible for the GI Bill stipend while using VRE can opt to receive that stipend. In Minneapolis, the Post 9/11 GI Bill stipend is \$1,257 per month with no dependents. The disparity between the two rates is a source of concern for many DVorg community veterans and is a barrier to entry within the program for some where a disability causes an employment handicap at the current job but the veteran cannot afford life expenses on the \$603.33.

When the veteran initially applies for VRE benefits and is deemed eligible for benefits, they are scheduled for an initial intake. During the initial intake, a VRC or counseling psychologist will see them, depending on the office policy and staffing. Once the parties agree to a particular employment track, the veteran will have a difficult time changing it later making the initial communications with the veteran extremely important. This means it is important for VRE to clearly explain to each veteran what their options are at each stage while working toward optimal vocational retraining and employment.

VRE is required to adhere to the following bodies of related statutes, regulations and rules: 38 US Code §§ 3100-122; 38 CFR §§ 21.1-430; and M28R VRE Manual when adjudicating veterans' claims in addition to a handful of other statutes and regulations. This information is not clearly labeled nor identified on VA.gov's web pages relevant to the VRE program. The DisabledVeterans.org community has publically critiqued VRE for this perceived failure but VRE persists in a direction of providing less information to veterans rather than more.

VRE DEFICIENCIES

1) Some VRCs still provide irresponsible and vague explanations of program possibilities while withholding overall program capabilities and available resources.

A cursory review of the new VRE website fails to clearly identify the regulations or rules VRCs are required to follow. It further fails to clearly indicate possible options for veterans within each track. Veterans are instead required to rely on whatever the VRC tells them. This reliance creates tension when the counselor is overwhelmed with too many cases and sometimes results in VRCs giving veterans erroneous information.

On VA.gov, VRE lists out the variety of options at the meta-level and recently revamped its pages on VA.gov. For example, Long-Term Services are explained as:

"For Veterans with service-connected disabilities who require additional skills or training to find competitive employment, VocRehab will guide them to what they need, be it education programs and vocational training—including on-the-job training—mentoring programs, work-study programs, or other job preparation programs to help them retrain for a new career."

However, this explanation fails to clearly explain the kinds of career tracks and training potential veterans may be entitled to receive (i.e. doctor, lawyer, pipefitter, gunsmith, etc). This vague description from its website does result in many veterans being confused about the program's potential and creates "information asymmetry" when the veteran is required to select a vocational track.

Simply put, "information asymmetry" means one party withholds information from the other party. This information is known to be important for the other party to make an informed decision, purchase, loan or investment. The U.S. has laws to prevent market distortions that result from "information asymmetry" such as Lemon Laws protecting car buyers from bad cars or against ponzi schemes that rip off consumer like those perpetrated by Bernie Madoff.

For Madoff, had he disclosed his scheme to consumers in his sales materials, consumers never would have trusted him with their life savings. However, he not only withheld this information, but he instead provided false and misleading information. The end result was many people lost their life savings. Problems caused by "information asymmetry" like this can lead to market distortions. Market distortions are bad for the economy because funds are not allocated to the best solutions for optimal results. In theory, the optimal result for VRE is a veteran is retrained in the best career for that person, which results in the highest earnings possible and more tax revenue.

Nobel Prize winning economist Joseph Stiglitz is famous for his work on the subject. Stated in a more academic manner, "information asymmetry" can cause imbalances in power in transactions and can create problems of adverse selection, moral hazard and information monopoly. "Information asymmetry" is the opposite of "perfect information" sharing, which is a key assumption in neo-classical economic models for them to work. In economics, "perfect information" assumes all parties to a transaction will have complete knowledge of price, utility, quality and production methods. These models and their forecasts do not work properly when information shared is asymmetrical in nature versus "perfect information."

The VA as a whole has long been suspected of game playing by withholding information about veterans' files or about its internal adjudication schemes. Such withholding by the agency is ultimately an example of "information asymmetry." Such asymmetry can and often does lead to misinforming a participant in any transaction including any veteran's selection of a vocational goal or their disability claim.

For VRE, this "information asymmetry" creates distortions (less than optimal outcomes) whenever a counselor is too busy, negligent or uninformed of program possibilities. These distortions have real impact when a veteran is provided with erroneous information while trying to answer the vital question, "What will I do for the rest of my life?"

Since little to no clear information is published by VRE on VA.gov about specific vocational goals possible within each training track, a veteran is required to rely on the information the VRC tells the veteran unless the veteran finds third party information online (e.g. DisabledVeterans.org community) or through a veteran service officer in person.

A few negative examples of veterans' feedback from VRC encounters after the initial intake meeting are:

- A. "VRE will not pay for graduate school."
- B. "VRE will not pay for law school."
- C. "VRE will not pay for private school educations."
- D. "VRE will not pay for Harvard."
- E. "VRE will not pay for a PhD."
- F. "VRE will not pay for medical school."
- G. "VRE will not pay for an MBA."
- H. "VRE will not fund a start-up business."
- I. "VRE will not pay for a computer."
- J. "VRE will not pay for ergonomic equipment."
- K. "VRE will not pay for ADA compliant software."
- L. "VRE will not pay for supportive accommodations in the workplace."
- M. "VRE will not pay for classes if you are in the independent living program."
- N. "VRE will not help you if you are 100% disabled or TDIU."

None of the above claims from a VRC are true, but disabled veterans are repeatedly told this misinformation when seeking reasonable outcomes from VRE. This creates "information asymmetry" there is no exhaustive VA.gov reference to possible program outcomes. Many veterans accept non-optimal training as a result of the asymmetry.

Some veterans believe these rejections have little to do with individual capability and more to do with that particular VRC not wanting to write-up the documentation or evaluations required to support such vocational goals.

Meanwhile, on the other side of the same coin, some VRCs fail to transparently explain program limitations while simultaneously providing solutions that make sense. Instead, some counselors play a game of 'gotcha' by withholding solutions unless the veteran states the equivalent of a magic word to show the VRC that the veteran knows the rules. This is, again, another example of "asymmetrical information."

Stereotypical Example 1

Jane Smith attends her first meeting with the VRC in charge of intakes for the day. Jane possesses a bachelor's degree in history and graduated with honors, but she has no experience in the field after separating from the military.

In the military, Jane injured her back and also suffered a traumatic brain injury with residuals while on active duty in Iraq. Her overall disability rating is 60%. Her military training was limited to military police. After separating from the military, she was unable to find work in the field for which she was trained by the military. There are no clear forms of employment for people with a degree in history in her community. She is a single mother.

While unsure of her options, Jane mentions to the VRC that she always dreamed of being a lawyer, but the VRC quickly dismissed the notion claiming VRE does not send veterans

to law school. Jane's proposal would fit in the Employment Through Long-Term Services track. Instead, the VRC seems irritated and then tells Jane to look at Rapid Access to Employment, instead. Disappointed, Jane returns to her home to review the VRE website but is unable to locate any rules or regulations controlling in this kind of context for a person in her situation. Jane accepts what the VRC claims at face value and eventually finds work as a receptionist after signing a contract called an IEAP for rapid reemployment.

The new job does not require a degree. Jane is uninterested in the job and is barely able to cover her monthly life expenses and day care for her child. She mentions to her VRC that her back hurts while at work, but the VRC makes no mention of providing workplace accommodative systems like an ergonomic chair. Jane finds an answer on the Facebook group Disabled Veterans – Chapter 31 Voc Rehab. Veterans with VRE experience tell her they received ergonomic chairs from such manufacturers as Herman Miller. Jane later asks her VRC for a chair and the counselor orders the chair with his government credit card.

The result above creates an economic inefficiency. Jane will ultimately be unhappy and struggle to make ends meet. She will not be optimally trained to her potential and will not earn as much income as she is capable. Jane will also not pay as much in tax revenue during her lifetime, all things remaining as they are, as she would have as a lawyer. She was also forced to endure an exacerbation of her back injury that could have been prevented with a pro-active solution given that the VRC knew about the back pain in advance following a review of Jane's disability compensation paperwork.

****RECOMMENDATION:** VRE should openly publish universities, programs and career development tracks following by previous veterans in each Regional Office for full disclosure. Further, VRE should clearly publish governing statutes, regulations and rules on its allocated web pages. Last, VRE should publish clear hypothetical models of veteran persona types and indicate possible vocational tracks right down to the training and career type that could apply to that person.

2) Irresponsibly high caseloads that result in mismanagement of veterans' rehabilitation programs, tardy stipend payments, and dysfunctional communication practices.

Last year, VRE was criticized for placing excessive caseloads onto its VRCs, which resulted in each veteran not receiving the maximum extent of services available from their respective vocational counselor. The average was approximately 1 VRC to 175 veterans. Since there are approximately 160 work hours in a given month, this means VRCs are forced to spend less than one hour on each veteran's case regardless of the needs of that veteran. This estimate does not take into consideration mandatory meetings, training, vacation time or additional job requirements that further restrict the number of minutes any counselor can spend helping a disabled veteran answer the question, "What will I do for the rest of my life?"

This practice causes VRCs to put their licensure at risk by forcing them to underperform or fail to adhere to the mandatory minimum requirements of the Commission on Rehabilitation Counselor Certification (CRCC).

Such minimum requirements include responding to a client's inquiry (e.g. disabled veteran) within a reasonable amount of time. VRE states the reasonable amount of time is around 2 days. Yet, many veterans experience substantial delays in responses from the VRC beyond two weeks.

In many instances, veterans with difficult cases experience blatant communication denials from the VRC lasting many months before reaching out to our DVorg community for support and input. Consensus within our network is to "paper" the file using electronic mail and certified US Mail to ensure the VRC receives the communication and puts it into the veteran's file. Another technique is to carbon copy the VRC's supervisor known as a VRE Officer to ensure more than one set of eyes are evaluating the issue.

Still, other veterans are impacted when their VRC fails to process the veteran's stipend payment or college tuition payment within a reasonable amount of time. Veterans affected in this way experience severe economic distress since they do not receive the stipend they depend on nor can they take out Federal student loans while the college withholds the funds while waiting for tuition payment from VRE.

In the above example, sometimes the problem lies with the veteran not following procedures or the college not submitting paperwork in time. Unfortunately, when the VRC is overworked, they generally do not resolve this problem before the distress impacts the veteran's academic performance or mental stability. Veterans with mental health concerns are acutely affected when this happens.

Stereotypical Example 2

John Smith is approved by VRE to become an accountant. VRE agrees to pay for his college to gain a degree in accounting and take the CPA examination. John is accepted to start college for accounting at Portland State University full time as a freshman. He intends to study through the summers to finish his degree early. He has a 30% disability rating from combat. He is a first generation college student who does not have a close relationship with anyone in Portland, Oregon for any form of financial support.

Already thinking like an accountant, John forecasts his budget as follows:

- VA Disability Pay \$407.75 per month (\$4,893 yearly)
- VRE Monthly Stipend \$603.33 per month (\$7,240 yearly)
- Pell Grant \$5,775 per year
- Federal Student Loan \$9,500 per year

John plans his budget around receiving an injection of VA monies, grant money and loans totaling \$27,407 for the year to pay rent, food, and child support to Jane. Divided by 12 months, this means he will have \$2,284 per month.

John's monthly expenses are:

- \$1,200 Rent (2 Bdrm for self and child)

- \$200 Utilities, Phone and Internet
- \$300 Food
- \$500 Child support

Based on his projection, John will be left with \$84 per month for additional expenses. Since he lives in Portland, John knows he can rely on the streetcar transit system to get from place to place without difficulty. To be safe, he applied for and received a bank credit card with a limit of \$2,000 for emergencies.

One month into the fall semester of his freshman year, John receives a notice from the college saying it has not been paid for tuition. He checks his bank account and realizes his stipend did not go through either. John calls his VRC but does not receive a call back for two weeks. When the VRC calls him back, she says she is running behind following a vacation but will get around to it soon. Two weeks later, Portland State University sends John a notice that it still has not received payment and will withhold John's student loans and grant money until payment is made.

This means John will be unable to pay his obligations for at least the month of October. His failure to pay will result in receiving an eviction notice, damage his credit, and potentially Jane's ability to provide for their daughter. John leverages his credit card for that month to pay all his obligations.

Problems persist into the next month. His VRC indicates the school failed to supply one piece of needed information in order for her to process his benefits, which then requires additional back and forth with the school. The delay results in John not receiving the money he budgeted for and he no longer has available credit. As a result, John takes on a night job to cover expenses but his scholastic performance suffers greatly and his GPA dips to a C average.

John is no longer competitive when it comes time to find an internship for the summer months. Without the internship, he realizes he will not be competitive for employment after college.

An example like this may have been avoided if the VRC was not behind. John's story here is all too familiar across the country. VRE fails to appreciate the impact of such delays on the veteran in the long term after training is over. John in the example could forever be impacted by the failure at the beginning of his training program.

****RECOMMENDATION:** First, VRE should increase personnel able to process claims. Second, each VRC should be required to disclose the number of cases they manage to their veterans so as to better manage expectations. Last, VRE should increase access to existing loan programs within VRE to help veterans caught in the cycle described above.

3) Inadequate VRC training requirements resulting in a fundamental breakdown in working knowledge of statutes, regulations and rules governing VRC behavior toward disabled veterans.

Across the board, VRCs display a complete lack of knowledge and understanding when veterans ask about VRE rules contained within the new M28R VRE manual. Some changes within the manual conflict with previous regulation changes. For example, the M28R manual rules affecting self-employment are unlawfully prohibitive and defy the stated intent of the previous 2012 rule change to increase access to self-employment support. Still other VRCs erroneously claim that self-employment is only a vocational option of last resort for the most seriously disabled veterans despite the clear delineation within the rules and regulations affecting a two-tier qualification to include all veterans entitled to VRE when self-employment is suitable.

Stereotypical Example 3

Jane Smith is let go from her receptionist job because she lacks certain skills needed to perform tasks efficiently. The termination occurs within 10 months of starting the job, and she reapplies for VRE benefits. This time, Jane asks for the Self-employment Track to start a business idea she has. The VRC now turns to her and states that Jane is not disabled enough to qualify for self-employment. The VRC continues to explain that self-employment is only used as a last resort for only the most severely disabled veterans. She goes on to explain that since Jane appears to be not that disabled (a medical determination), that self-employment is precluded. Instead, the VRC tells Jane to get a second undergraduate degree in business at the University of Minnesota. Jane re-iterates the law school option. However, the only local law school she can get into in the area is private, William Mitchell Law School, which VRE considers “high cost” and a “private school.” The VRC again reiterates that VRE will not pay for law school, even though it will. Jane seeks input from the DVorg community and finds examples of veterans who attended law school at William Mitchell. She files a request for an Administrative Review with VRE. After 90 days, the VRC informs her that they will approve law school at William Mitchell, but that they needed additional approvals from the Director.

In this typical example, two issues came up. First, the VRC misled Jane about the requirements of self-employment due to either a lack of knowledge of the regulations and rules or intentionally to avoid the copious amounts of paperwork required for self-employment. Second, the VRC selected a roadblock of “VRE will not pay for law school” to avoid the added paperwork requirements of seeking Director approval for the training track that otherwise fit within Jane’s limitations, aptitudes, abilities and interests.

In similar scenarios, some VRCs misquote or clumsily paraphrase the M28R within benefits denials without referencing it directly or putting the quote in quotations. This means the veteran will never know the context in which the quoted denial language was actually intended since it is impossible to know where the denial language came from without a citation. Without providing proper quotes, veterans are forced to thumb through the 1,400 page M28R to look for answers. Since the M28R consists of over 100 PDF files that must be individually downloaded and read, the process could take months, especially for veterans with TBI residuals or who are blind.

****RECOMMENDATION:** First, VRE should require its staff to pass a test focusing on how to use the M28R and on what the fundamental criteria is for each track. Second, these criteria should be readily available on VA.gov and written in language easily cognizable by any person with an 8th grade reading level for all veterans. Third, VRCs should be required to place any

quotes in quotations and provide a citation so veterans can double check denial for accuracy. Last, VRE should develop a comprehensive complaint system administered by Central Office for veterans who are victimized by negligent acts or omissions by VRE staff.

4) Inconsistent and unlawful use of record creation and maintenance during the lifetime of a veteran's use of VRE services.

Many VRCs nationwide do not understand how rules affecting Federal records impact their daily correspondence with veterans while adjudicating claims. Some VRE staff erroneously believe agency records about the veteran are not accessible through a Freedom of Information Act or Privacy Act request. This is erroneous but the misunderstanding impedes on any veteran's ability to review the records in a timely manner prior to an appeal request or similar adjudication.

Beyond this, some VRCs fail to include electronic mail within the veteran's file that served as informal benefits requests. However, regulations governing behavior of VRE staff requires recordkeeping that includes keeping copies of some electronic mail within a veteran's file.

Some other VRE offices fail to recognize that the electronic database called CWINRS should be included within the Record Before the Agency (RBA) while adjudicating claims before the US Court of Appeals for Veterans Claims.

Stereotypical Example 4

Bob Jones is attending law school at San Diego. He is a retired officer with an 80% disability rating that is combat related. The IT training he received while in the military is no longer current. After unsuccessfully applying to numerous Federal jobs, Bob decided to attend law school at the University of San Diego.

Prior to attending law school Bob applied for VRE. Prior to receiving a decision, Bob was accepted into law school and started his program. The adjudication of his initial claim took six months when VRE finally denied him. The denial informed Bob that he could request reconsideration within 30 days. Otherwise the decision would become final. Bob requested reconsideration. He also requested a copy of his file in person. VRE staff told Bob that his file belonged to the VA and that he would not be allowed access to the file. Bob, having already completed one semester of law school, pressed the issue. He pushed back saying VA must provide all records about him within VRE's possession. After a few minutes, the VRE staff realized Bob would not take "no" for an answer and pressed the emergency button for VA police. VA police showed up but were unable to assist since there existed no threat.

Later, VRE adjudicated Bob's claim prior to providing Bob with copies of his records. This resulted in Bob not having an opportunity to assess erroneous claims made by VRE staff within his file. Bob then received copies of his file with many redactions. However, one VRE staff noted in an email that VRE should withhold certain information. Following an appeal to OGC, VRE staff provided copies of all emails without redactions. After another six months, Bob's file is at Central Office pending input from the VRE Director.

VRE has a tendency of providing bureaucratic roadblocks before veterans who are familiar with their rights and file various formal and informal administrative appeals. One of the roadblocks tends to involve creating artificial prohibitions against the veteran possessing a full copy of records pertaining to them prior to adjudicating a claim. Other times, VRCs have been known to not know the difference between an Administrative Review or a formal Form 9 Appeal. They will perceive a disagreement requesting an Administrative Review as a formal Notice of Disagreement and skip that required due process while jumping ahead into a formalized appeal to the Board of Veterans Appeals.

****RECOMMENDATION:** VRE should mandate recordkeeping training and FOIA training for all staff who interface with clients. Regional Office Privacy Officers are often unfamiliar with all the forms of records VRE keeps on a veteran, and as a result VRE fails to provide veterans with all the records VRE possesses about their claim. To avoid this issue, VRE must move to a more inclusive electronic system that includes not only the records created but also the emails exchanged between the veteran, the VRC, and any other VRE staff about the claim. Otherwise, informal claims for benefits contained within email form might be missed, especially if the original VRC no longer works for VA and fails to include a printed copy of the exchange within the veteran's primary claims file.

CONCLUSION

VRE is an amazing program with a great deal of benefits available for veterans seeking to answer the question, "What will I do for the rest of my life?" This question is complicated for any American much less a disabled veteran seeking to overcome an employment handicap resultant from military services.

While many VRCs provide excellent service, understaffing and a lack of knowledge of new rules governing access to benefits within M28R complicate their ability to help veterans effectively. In addition, some VRCs still work within VA who provide misinformation to veterans about training possibilities for a variety of reasons. Despite being well informed of problems that can result, VRE has failed to provide a comprehensive resource on VA.gov that will provide clear and specific guidance when veterans run into problems related to "asymmetrical information." As a result of these persistent deficiencies, many veterans fail to achieve optimal training and fail to achieve their earning potential. Funds are not allocated in an optimal manner and veterans fall through the cracks of an otherwise amazing program.

CURRICULUM VITAE

Benjamin L. Krause is a disabled veteran of the United States Air Force where he was a communications and navigations systems journeyman in its Special Operations Command. He is now award winning activist, journalist and attorney pushing for the advancement of veterans' rights nationwide. Mr. Krause advocates for veterans rights publishing policy research and veteran-centric news from his website, DisabledVeterans.org., and across a vast social media network. He also works with national reports to expose problems veterans face while seeking access to their benefits. He operates DisabledVeterans.org under the company Armo Press, LLC.

Mr. Krause earned a B.A., in Economics from Northwestern University in 2007 and a J.D., *magna cum laude*, from the University of Minnesota School of Law in 2013. Both degrees were achieved by utilizing Vocational Rehabilitation and Employment. Mr. Krause also received VRE funding support for his veterans law practice, Krause Law, PLLC.

Mr. Krause currently practices veterans' law with his own firm in Minneapolis, Minnesota, and can be contacted at ben@benjaminkrauselaw.com

DISCLOSURE STATEMENT

Mr. Krause is providing this written testimony to the Subcommittee as a private citizen and has not received any federal grant or contract relevant to the subject matter of his testimony. His companies and the peer-to-peer network, is comprised of advocates for fair treatment of veterans and their families seeking VA benefits earned through the veteran's service. Current and former peer members have challenged the propriety of VRE actions and inactions within the VA system, before the Court of Appeals for Veterans Claims and the Board of Veterans Appeals and Regional Offices nationwide.

**STATEMENT OF
THE NATIONAL ASSOCIATION OF VETERANS PROGRAM ADMINISTRATORS
(NAVPA)
PREPARED FOR THE HOUSE OF REPRESENTATIVES
VETERANS AFFAIRS COMMITTEE
SUBCOMMITTEE ON ECONOMIC OPPORTUNITY (EO)**

Hearing on:

**“A REVIEW OF VA’s VOCATIONAL REHABILITATION AND EMPLOYMENT
PROGRAM”**

July 8, 2015

Introduction

Chairman Wenstrup, Ranking Member Takano, and members of the Subcommittee on Economic Opportunity, the National Association of Veterans Program Administrators (NAVPA) is pleased to provide a written statement for this “*review of VA’s Vocational Rehabilitation and Employment Program.*” NAVPA is a nationally recognized nonprofit organization founded in 1975 by school certifying officials. Our organization represents close to 400 educational institutions nationwide. We voluntarily serve NAVPA in an effort to better serve the veterans on our campuses.

NAVPA recognizes the significant higher education opportunities that are afforded this generation of veterans. We are committed, in partnership with the Department of Veterans’ Affairs, to ensure the success of the programs funded to provide educational opportunities for our veterans and their family members.

The hearing today is of significant interest to NAVPA as several of our Board of Director’s are actively engaged in careers in higher education serving veteran students as a direct result of the education and training provided by to them by the VA Vocational Rehabilitation and Employment Program. NAVPA recognizes this vital VA program as a truly transformative step in providing veterans with personalized counseling and support to help guide their career paths.

In a June 2015 poll of NAVPA Members and school certifying officials the following concerns with the administration and implementation of this benefit were reported:

Consistency

NAVPA institutions with multiple facility codes being served by multiple VA regions report a lack of consistency in the administrative tasks associated with processing the benefit. The most significant consistency issues persist within the invoicing process, to include the lack of a clear and concise refund policy. SCO's have a difficult time establishing where to send and when to send refunds for overpayments. SCO's report that it can take months to resolve invoice payment issues. NAVPA attributes this extended timeline in resolving invoice issues to SCO's not having contact information for anyone at VA involved in the invoicing process. NAVPA recommends that VR&E provide a comprehensive point of contact list to SCO's that includes VA's Vocational Rehabilitation Counselors, state program directors and invoice specialists for each state and region.

Oversight

The Vocational Rehabilitation and Employment program spent \$1.1B in 2014 and is expected to spend up to \$1.4B in the program by 2017. NAVPA members are concerned that schools are not currently included in the scope of any program compliance and/or periodic audits from the Department of Veteran Affairs. The only contact that schools have with the VA in this program is limited to the vocational rehabilitation counselors. This potentially creates a significant barrier to open communication. Schools have reported they have been "chastised" by counselors and threatened to not have students enrolled in their programs for reporting problems or concerns with counselors. With the amount of money dedicated to this program, and the critical role that schools play in the education and retraining of veterans, NAVPA requests that VR&E enhance and include SCO's in the compliance review process.

Closing

NAVPA recognizes the significance of the SCO Handbook for certifying VA education benefits. Our members feel that a similar tool for the vocational rehabilitation program would add value and clarity to the administrative processes associated with this benefit. Vocational rehabilitation case managers/counselors vary tremendously in the execution of their duties. It is NAVPA's opinion that the program as a whole would benefit if they performed their duties in a standardized manner and feel that a handbook would assist school certifying official's ability to interpret the guidelines and ultimately assist students in the most efficient manner possible.

The NAVPA Board of Directors thanks the Chairman and committee members for the opportunity to provide this statement and remain available to answer any questions.